

**LOWELL DECL. EX. 33b**

## Singapore: Success Against Terrorism in Southeast Asia (continued)



*Photographs of Bukit Panjang Service Reservoir, among evidence recovered from Ab Wahab bin Ahmad.*



*Suspected Jemaah Islamiya members, arrested in August 2002.*

Of the 18 men detained in August, most were employed in everyday jobs as deliverymen, dispatch clerks, drivers, butchers, and used-car salesmen. Only two were unemployed. About half had served full time in the National Service and were on reserve duty at the time they were arrested. According to the Singapore Government, most of the JI members in custody saw no contradiction between living in a peaceful multiracial society and pledging their allegiance to militant groups that could potentially harm other Singaporeans, including fellow Muslims whom they claimed to represent. During interviews by the ISD, the members revealed that they were so committed to pursuing jihad that they were willing to put fellow Muslims at risk to accomplish their goals.

The JI cell in Singapore was an important fundraiser for regional JI groups. It would impose a tax on its members to raise funds. In the early 1990s, members were required to give two percent of their monthly salaries; this was later increased to five percent. According to Singaporean authorities, half of the funds raised went to the Singapore cell, which used the money to fund its members' expenditures and provide for needy JI families. Money also was sent to members abroad for military training. The other half of the money raised was split between the Indonesian and Malaysian branches of JI.

Home Affairs Minister Wong Kan Seng emphasized the complex organizational structure of JI and noted the need for continued regional cooperation to counter the terrorism threat from the group. Referring to the second roundup of suspects, Mr. Wong said, "This particular group in JI is not confined to Singapore but is connected to the JI organization in Malaysia and Indonesia and some in the Philippines. We also found that some Singaporeans were involved or into training in the Moro Islamic Liberation Front training camps. That is a concern that this network is not found only in Singapore but also in the region." Some members of the Singapore organization are believed to be hiding out in neighboring countries, and it is possible that they may yet carry out their bombing plans.

The Singaporean authorities had arrested 31 JI members by the end of 2002 and provided information instrumental to the detention of others in neighboring countries. On 2 February 2003, Indonesian authorities arrested Singaporean Mas Selamat Kastari, whom Singapore has identified as the chief of the JI's Singapore operations; Indonesian authorities attributed the arrest to a tipoff received from Singapore. With each successive arrest, Singapore is rooting out the terrorist threat in its backyard and making it tougher for JI to operate in the rest of the region.

The Singapore Government notes, however, that the other regional JI cells continue to threaten security in Southeast Asia. In his opening address to Parliament on 25 March 2002, President Nathan stated, "The Jemaah Islamiya terrorist group is a stark reminder that these are not faraway problems, but immediate threats to us here and now." Singaporean authorities, who have warned that additional arrests may occur as they continue their investigations, are committed to cooperating with the security agencies of neighboring countries to eliminate the group entirely from the region.

## Taiwan

Taiwan has supported the global war on terrorism and taken steps to improve its counterterrorism laws and regulations. After the September 11, 2001 attacks, Taiwan was quick to implement fully all increased security requirements requested by the US Transportation Security Administration and to increase security for the American Institute on Taiwan. In May 2002, Taiwan Minister of Economic Affairs Lin Yi-Fu said during the Asia Pacific Economic Cooperation conference in Puerto Vallarta, Mexico, that Taiwan fully supports the ongoing global war on terrorism. In October, President Chen Shui-Bian condemned the terrorist bombing in Bali and said that Taiwan would offer assistance to Indonesia.

Although Taiwan currently has no antiterrorism laws, the Taiwan Executive Yuan in October ordered the Ministry of Justice to draft a special antiterrorism law. The new law, if enacted, would simplify the process of freezing financial accounts and enhance the use of compulsory measures such as a prosecutor's power to search, detain, and summon suspects and witnesses. At the end of the year, the draft of the antiterrorism law had undergone an extensive interagency review process coordinated by the Executive Yuan and awaited consideration by the Legislative Yuan.

(In January 2003, the Legislative Yuan passed an enhanced anti-money-laundering law, which lowers the threshold of amounts required to report, raises the penalties for noncompliance, and allows the Government to seize suspicious bank accounts.) Even before the passage of this legislation, the Ministries of Finance and Justice had followed up on requests by the United States to check suspicious bank accounts in Taiwan.

## Thailand

Thailand continued to cooperate closely with the United States on counterterrorism, intelligence, and

law-enforcement matters, and the Government enhanced its counterterrorism cooperation with its neighbors. During the year, Thailand indicated its intent to join the Container Security Initiative and began active negotiations with US Customs. In 2002, Thailand began discussions with the United States on the possible introduction of a border-security system called the Terrorist Interdiction Program. Regionally, Thailand joined a counterterrorism agreement—initially signed by Malaysia, the Philippines, and Indonesia—that establishes a framework for cooperation and inter-operability of procedures for handling border and security incidents. Thailand also signed a bilateral counterterrorism cooperation agreement with Australia. It signed an ASEAN-sponsored Declaration of Cooperation with the United States on counterterrorism and joined the Asia Pacific Economic Cooperation Conference counterterrorism declaration. It reaffirmed its commitment to accede to the remaining seven of 12 UN antiterrorism conventions.

On terrorism finance, Thailand established an interagency financial crimes group to coordinate CT finance policy. It submitted CT finance revisions to its Anti-Money-Laundering Act and the penal code to Parliament in the fall, where they were awaiting adoption at the end of the year. Thailand has been a strong supporter of US and other efforts to designate terrorists and terrorist entities at the UN Sanctions Committee. Thailand is a party to four of the 12 international conventions and protocols relating to terrorism.

Thailand served as host to four US-Thai bilateral military exercises with significant counterterrorism components, providing valuable training to US forces and reinforcing Thai capabilities to respond to potential terrorist incidents in Thailand. In 2002, there were no incidents of terrorism in Thailand.



### Eurasia Overview

*"The member nations of the Coalition must continue their concerted action to deny safehaven to terrorists; to destroy their financial, logistical, communications, and other operational networks; and to bring terrorists to justice."*

*Joint statement on counterterrorism cooperation  
US President George W. Bush and Russian  
President Vladimir V. Putin, 24 May 2002*

Central Asia, which for years had suffered from Afghanistan-based extremism, saw no significant terrorist activity in 2002. The operations of the Islamic Movement of Uzbekistan (IMU), a group on the US Foreign Terrorist Organization list that seeks to overthrow the Uzbekistani Government and create an Islamic state, were seriously disrupted when some of its leaders and many of its members were killed in Afghanistan fighting with the Taliban against Coalition forces. Russia, however, continued to be the target of terrorist attacks in 2002, most of which were carried out by extremists fighting in Chechnya. The most significant was the 23 October takeover of the Dubrovka Theater in Moscow, where some 40 extremists held 800 theatergoers hostage and threatened to blow up the theater.

States in the region continued to provide overflight and temporary basing rights; share law-enforcement and intelligence information; and identify, monitor, and apprehend al-Qaida members and other terrorists. Countries in the region also took diplomatic and political steps to contribute to the international struggle against terrorism, such as becoming party to some or all of the 12 United Nations international conventions and protocols relating to terrorism.

Enhancing regional counterterrorism cooperation has been a priority for the United States. Toward that end, the US Department of State's Coordinator for Counterterrorism hosted the Fourth Annual Counterterrorism Conference for Central Asia and the Caucasus in Ankara in June 2002. Counterterrorism officials from Central Asia and the Caucasus, as well as observers from Russia,

Turkey, Afghanistan, China, the European Union, and the Organization for Security and Cooperation in Europe (OSCE), discussed issues related to human rights, the rule of law, and combating terrorist financing. Throughout the conference, and in other bilateral and multilateral fora, the United States stressed that effective counterterrorism is impossible without respect for human rights, and that the rule of law is a formidable and essential weapon in the fight against al-Qaida and other international terrorist organizations. A policy exercise held on the last day of the conference helped reinforce key tenets of effective counterterrorism policy and operations.

The United States continues to work with the OSCE and other regional organizations to strengthen policing capability, encourage improved regional cooperation, and combat terrorist financing. The OSCE held a meeting on terrorist-financing issues in Prague in May, which addressed the 40 Financial Action Task Force (FATF) recommendations on money laundering and how to strengthen states' capabilities to implement these standards. Following the conference, OSCE participating states adopted a US proposal committing each state to complete the FATF self-assessment exercise by 1 September 2002, and virtually all of them did so by that date. In cooperation with the UN Office of Drug Control and Crime Prevention, the OSCE is conducting training seminars in Central Asia on money-laundering and terrorist-financing issues to strengthen states' abilities to prevent terrorist organizations from obtaining access to funds. The United States was the major contributor to this project.

The European Union (EU) has also been deeply involved with both Russia and the OSCE in an effort to enhance counterterrorism cooperation throughout the region. At the November 2002 Summit, the EU and Russia reached agreement on a far-reaching framework for the fight against terrorism through more intensified cooperation. The framework sets out the shared values and

commitments in the fight against terrorism and identifies a series of specific areas for future EU-Russia cooperation. EU-OSCE cooperation also has advanced through close contact between the Personal Representative on Counter Terrorism of the OSCE and the Chairman of the OSCE. The objective is to maximize the abilities of both organizations to counter terrorism in the region, especially in Central Asia.

In August, the United States designated the terrorist group East Turkistan Islamic Movement under Executive Order 13224 on terrorist financing. The organization had been involved in several terrorist acts in eastern China, and some of its members had been caught trying to carry out an attack against US Embassies in Central Asia.

## **Azerbaijan**

In 2002, Azerbaijan continued to be a staunch supporter of the United States in the war against terrorism. Since September 11, 2001, Azerbaijan has added to an already strong record of cooperation with the United States, rendering dozens of foreign citizens with suspected ties to terrorists. Azerbaijan's border guards have increased their patrols of the southern border with Iran, and the aviation department has increased security at Baku's Bina Airport as well as implemented recommendations of the international civil aviation organization on aviation security.

While Azerbaijan had previously been a route for international mujahidin with ties to terrorist organizations seeking to move men, money, and materiel throughout the Caucasus, Baku stepped up its interdiction efforts in 2002 and has had some success in suppressing these activities. Azerbaijan has taken steps to combat terrorist-related funding by distributing lists of suspected terrorist groups and individuals to local banks. In November, a platoon of Azerbaijani soldiers joined the Turkish peacekeeping contingent in Afghanistan.

On 25 January, President Bush waived section 907 of the Freedom Support Act for 2002, thereby

lifting restrictions on US assistance to the Government of Azerbaijan. The waiver cleared the way for the United States to deepen its cooperation with Azerbaijan in fighting terrorism and in impeding the movement of terrorists into the South Caucasus. The waiver also provided a foundation to deepen security cooperation with Azerbaijan on a common antiterrorist agenda.

Azerbaijan has also provided strong political support to the United States and to the global Coalition against terrorism. In May, President Aliyev instructed his government to implement UN Security Council Resolutions (UNSCR) 1368, 1373, and 1377. The Government also approved changes to the criminal code that increased the maximum penalty for acts of terrorism from 15 years to life imprisonment and added a provision making the financing of terrorist activities a crime. In October, Baku hosted a US-sponsored seminar on money laundering and financial crimes, including terrorist financing. The United States is working with the Government of Azerbaijan to develop a plan to combat financial crimes.

In April, the Justice Ministry revoked the registrations of two Islamic charities—the Kuwait Fund for the Sick and the Qatar Humanitarian Organization—for activities against Azerbaijan's national interests. In November, Azerbaijan froze the bank accounts of locally registered Benevolence International Foundation (BIF) pursuant to UNSCR 1373. The Justice Ministry subsequently revoked BIF's registration.

In April, the Government sentenced six members of Hizb ut-Tahrir, an extremist political movement that wants to establish a borderless, theocratic caliphate throughout the entire Muslim world, to up to seven years in prison for attempted terrorist activities. In May, Azerbaijan convicted seven Azerbaijani citizens who had received military and other training in Georgia's Pankisi Gorge and who had intended to fight in Chechnya. Four received suspended sentences, and the others were



sentenced to four to five years in prison. Members of Jayshullah, an indigenous terrorist group, who were arrested in 2000 and tried in 2001 for planning an attack against the US Embassy, remained in prison.

Azerbaijan is a party to eight of the 12 international conventions and protocols relating to terrorism.

## Georgia

Georgian officials, including the President, issued repeated statements condemning terrorism throughout 2002 and supported the United States and global Coalition against terrorism in international fora, in word and deed.

The United States has encouraged Georgia and Russia to work together to promote border security within their respective territories and to find negotiated, political solutions to their many disagreements. The presence in Georgia's Pankisi Gorge of third-country international terrorists with links to al-Qaida and significant numbers of Chechen fighters, nevertheless, accounted for the most significant Georgian counterterrorism issue of 2002.

In 2002, the United States strongly urged Georgia to regain control of the Pankisi Gorge where third-country terrorists with links to al-Qaida had established themselves. These extremists threatened Georgia's security and stability, as well as Russia's.

Georgia has deployed troops from the Ministries of State Security and Interior into the Pankisi Gorge to establish checkpoints and root out Chechen fighters and criminal and international terrorist elements. The efforts signal Georgia's commitment to restoring Georgian authority in the Pankisi Gorge and dealing seriously with international terrorists linked to al-Qaida.

The United States assisted Georgia in addressing this internal-security problem through assistance and cooperative programs, including the



*Masked Georgian soldiers participate in an anticrime operation, 30 August 2002, in the Pankisi Gorge, Georgia, where hundreds of Chechen rebels are located.*

four-phase Georgia Train and Equip Program (GTEP). The program is intended to help the Government of Georgia eliminate terrorists, secure its borders, reassert central control over its territory, and deny use of its territory to foreign militants and international terrorists. Headquarters and staff training began in late May 2002 with 120 students receiving classroom instruction. In early June, additional staff training for the Land Forces Command began and ended with a successful command-post exercise. By September, US trainers had begun conducting unit-level tactical military training of Georgia's Ministry of Defense and other security forces to strengthen Georgia's ability to fight terrorism, control its borders, and increase internal security. In December, the first Georgian battalion completed GTEP training.

In July, Georgia extradited Adam Dekkushev to Russia for his suspected involvement in the bombing of apartment buildings in Moscow and Volgograd in 1999, blasts that resulted in approximately 300 deaths and for which no one has yet been convicted. A second suspect in the same bombings, Russian citizen Yusef Krymshamkhalov, was extradited to Russia in December. In October, Georgia extradited five individuals accused of terrorism and/or terrorist-related activities to the Russian Federation. They

were among 13 Chechen fighters captured by Georgian authorities along the Russian-Georgian border in August. Georgia determined that two of those captured were Georgian nationals whom it will not extradite to Russia. Of the remaining six, three have pending Georgian court appeals on their extradition to Russia. Before extraditing the other three, Georgia has requested further documentation from Russia.

In 2002, Georgia became a party to the 1999 International Convention for the Suppression of the Financing of Terrorism. Georgia is now a party to six of the 12 international conventions and protocols relating to terrorism.

## **Kazakhstan**

The Government of Kazakhstan continued to be outspoken and supportive in the fight against terrorism. In 2002, President Nazarbayev and senior Government officials have consistently spoken out against terrorism and have taken concrete action to support the international Coalition against terrorism.

In July, the Government signed an agreement to use Almaty Airport as an alternative airfield for Operation Enduring Freedom (OEF). Kazakhstan has allowed more than 800 US overflights in support of OEF since December 2001.

When the US Embassy has requested increased protection, the Government of Kazakhstan has repeatedly deployed rapid-reaction antiterrorist teams and elite police units to respond to changing security circumstances at US Government facilities. It has also continued to be responsive to requests to increase security at major oil facilities with US private investment.

In 2002, Kazakhstan became a party to the International Convention for the Suppression of Terrorism Bombings; Kazakhstan is now a party to 11 of the 12 international terrorism conventions and protocols relating to terrorism. The 1979 Convention on the Physical Protection of Nuclear

Material is in the process of being ratified, undergoing the second round of interagency review. On 27 February, after approval by the Parliament, President Nazarbayev signed into law the two remaining conventions—the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation and the Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf.

Kazakhstan has also strengthened its antiterrorism legislation. In February, the Government adopted tougher penalties and more precise definitions of terrorist acts. In October, the National Bank issued orders to freeze the assets belonging to an individual identified on the Executive Order 13224 terrorist asset-freeze list who had held shares in a local bank.

## **Kyrgyz Republic**

Since September 11, 2001, President Akayev has repeatedly demonstrated his strong support for the war against terrorism. Following the September 11 events, the Kyrgyz Government immediately offered assistance and allowed US and Coalition combat and support aircraft to operate from Ganci airbase, located at Manas International Airport in Bishkek.

(On 3 January 2003, the Legislative Assembly [lower house of Parliament] ratified the International Convention Against Terrorist Financing and forwarded it to the People's Representative Assembly [upper house of Parliament] for ratification. The International Relations Committee of the People's Representative Assembly recommended the Convention for ratification. The next People's Representative Assembly session was to begin on 1 March 2003, and ratification was to have been on its agenda.) The Kyrgyz Republic is a party to six of the 12 international conventions and protocols relating to terrorism.



The Kyrgyz Republic is a member of the Shanghai Cooperation Organization, launched in June 2001 and grouping China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan. President Akayev has also announced his country's support for China's stand against the terrorist forces of the East Turkestan Independence Movement (ETIM), which the United States has designated pursuant to Executive Order 13224. The ETIM was responsible for planning and executing a series of terrorist acts within and outside China.

The Kyrgyz Government has been working toward creating a new Drug Control Agency that is designed to stifle cross-border shipments of drugs and arms related to terrorism.

Several thousand members of Hizb ut-Tahrir, an extremist political movement that wants to establish a borderless, theocratic caliphate throughout the entire Muslim world, are present in Kyrgyzstan, Tajikistan, and Uzbekistan. Hizb ut-Tahrir pamphlets, filled with anti-US propaganda, have been distributed throughout the southern region of the country and even appeared in Bishkek. There is no evidence to date that Hizb ut-Tahrir has committed any terrorist acts, but the group is clearly sympathetic to Islamist extremist objectives.

## Russia

The past year saw a continuation of the US-Russian counterterrorism cooperation that emerged following the attacks of September 11, 2001.

At the Presidential Summit in Moscow in May 2002, Presidents Bush and Putin agreed to expand the scope of the United States-Russia Working Group on Afghanistan, co-chaired by Deputy Secretary of State Richard Armitage and Russian First Deputy Foreign Minister Vyacheslav Trubnikov. It is now known as the US-Russia Working Group on Counterterrorism. This interagency working group met for the first time under its expanded mandate on 26 July 2002 in Annapolis, Maryland, and again in Moscow on 22-23 January 2003.

But even as the United States and Russia cooperated in the global war on terrorism on all fronts in 2002, Russia faced terrorist acts that struck at the heart of its national security.

Russia continued to be subject to a number of terrorist events in 2002, many connected to the ongoing insurgency and instability in Chechnya. The continuing conflict, which began in late summer 1999, has been characterized by widespread destruction, displacement of hundreds of thousands of civilians, and human rights abuses by Russian servicemen and various rebel factions. At least three rebel factions, which consist of both Chechen and foreign—predominantly Arabic—mujahidin fighters, are connected to international Islamic terrorists and have used terrorist methods. (They have been designated, in 2003, as terrorist organizations for asset freeze under Executive Order 13224.) Russian forces have continued to conduct operations against Chechen fighters but also draw heavy criticism over credible reports of human rights violations.

Extremist groups and individuals seeking to create an independent Islamic state in the north Caucasus were responsible for dozens of terrorist attacks in 2002. Russian citizens were the victims



*A rescue worker looks at the huge crater left after a bomb destroyed the government headquarters in Chechnya, killing at least 55 persons and wounding 123 on 28 December 2002.*



## Terrorist Kidnapping

Terrorists have long used kidnapping as a tactic to extort money and to advance their political aims.

In Latin America, the Marxist terrorist groups National Liberation Army in Colombia and the Revolutionary Armed Forces of Colombia conduct hundreds of kidnappings for ransom, often targeting foreign employees of large corporations, especially those in the petroleum industry. During the 1980s, members of the Lebanon-based Hizballah terrorist group were responsible for kidnapping dozens of US and other citizens from Western countries. The Abu Sayyaf Group is responsible for numerous kidnappings in the Philippines and the subsequent murder of some of the hostages. The group uses this terrorist tactic mainly for financial profit.

There is no clear trend. The frequency of kidnappings and hostage takings has waxed and waned over the years.

In October 2002, Chechen terrorists stormed a theater in Moscow and held more than 800 persons hostage, believed to be the largest incident of hostage taking. The terrorists rigged the theater and themselves with explosives, threatening to kill themselves and the hostages by blowing up the theater if their demands were not met. The Government of Russia refused to accede to the terrorists' demands. Faced with an extremely difficult dilemma, Russia launched an assault on the theater using a gas to immobilize the terrorists. All the hostage takers were killed in the raid—and prevented from detonating their explosives. Unfortunately, 129 hostages died during the assault from the effects of the gas.

For its part, the United States does not make concessions to terrorists. US Government policy is to deny hostage takers the benefits of ransom, prisoner releases, policy changes, or other acts of concession.



*Moscow police wait outside of the theater that Chechen terrorists had stormed, taking some 800 persons hostage, 23 October 2002.*

of frequent attacks with command-detonated mines, including one that killed 36 persons, 12 of them children, and wounded over 100 others attending a Memorial Day parade in Kaspiisk, Dagestan.

But Russia's most serious terrorist event of 2002 occurred on 23 October when more than 40 armed militants took hostage 800 Moscow theatergoers to demand an immediate end to all Russian security operations in Chechnya. More than 120 of the hostages—including one US citizen (and a US Legal Permanent Resident)—died from a narcotic gas used during the rescue operation.

The terrorists, who included several female suicide bombers wearing explosive "suicide" vests, placed several mines throughout the theater and threatened to begin killing the hostages unless their demands were met. The leader of the attack was identified by the Chechen mujahidin news agency Kavkaz Tsent, and later by Russian news agencies, as Movsar Barayev, commander of the Special Purpose Islamic Regiment (SPIR) of the Chechen State Defense Committee (Majlis al-Shura). On 24 October, the Arabic news agency Al-Jazirah identified the group as the previously unknown "Sabotage and Military Surveillance Group of the 'Riyadh al-Salikhin' Martyrs" (a.k.a.



*Russian singer Iosif Kobson (L) and his assistant help a woman and her three daughters flee from the Moscow theatre, where they were held by Chechen rebels.*

the Riyadus-Salikhin Reconnaissance and Sabotage Battalion of Chechen Martyrs). A group member said in a recorded statement, "Our demands are stopping the war and withdrawal of Russian forces. We are implementing the operation by order of the military commander of the Chechen Republic." These two groups—Special Purpose Islamic Regiment and Sabotage and Military Surveillance Group of the 'Riyadh al-Salikhin' Martyrs—were among the three that the US Government designated as terrorist groups for asset freeze.

On 24 October, the Government of Russia immediately drafted and introduced UNSCR 1440 condemning the Moscow hostage taking as a terrorist act and urging all states, in accordance with their obligations under UNSCR 1373 (2001), to cooperate with Russian authorities in finding and bringing to justice the perpetrators, organizers, and sponsors of this terrorist attack. The resolution was unanimously adopted the same day.

On 1 November, Chechen rebel commander Shamil Basayev, in a letter to Kavkaz-Tsentr, publicly claimed full responsibility for organizing the attack. Basayev said that the Riyadus-Salikhin Reconnaissance and Sabotage Battalion of Chechen Martyrs (RSMB) had been under his

direct command and that Chechen President Maskhadov had no prior knowledge of the event. Basayev then publicly resigned his positions as Amir of the Council (Majlis) of Muslims of Chechnya and Dagestan and as the Military Commander of the Islamist International Brigade, saying he would henceforth devote himself completely to the RSMB.

Less than one month later, however, Basayev was once again commanding mujahidin units in Chechnya, according to President Maskhadov's official news agency, and warned that all "military, industrial, and strategic facilities on Russian territory, to whomever they belong" were legitimate targets for attack. Usama Bin Ladin also acknowledged the Moscow hostage takers in a November 2002 audiotape message, saying to the Russians, "If you were distressed by the killing of your nationals in Moscow, remember ours in Chechnya."

Throughout 2002, Russia continued to take important steps toward strengthening its participation in the global war on terrorism, particularly by ratifying the International Convention for the Suppression of the Financing of Terrorism. By the end of the year, Russia was a party to 11 of the 12 international conventions and protocols relating to terrorism. Before 2002, Russia had signed but not ratified the Convention on the Marking of Plastic Explosives for the Purpose of Detection. Russian officials were optimistic that official ratification of the 1991 Convention on the Marking of Plastic Explosives for the Purpose of Detection would soon occur.

The Government of Russia enacted domestic legislation and executive orders to enable its fight against terrorism in 2002. On 11 January, President Putin signed a decree entitled "On Measures to Implement the UN Security Council Resolution No. 1373 of September 28, 2001" that introduced criminal liability for anyone intentionally providing or collecting assets for terrorist use as well as instructions to relevant agencies on how to seize terrorist assets.



On 11 October, Russia was removed from the Financial Action Task Force's (FATF) list of Non-Cooperating Countries and Territories, in part due to the establishment of a Russian financial intelligence unit, the Financial Monitoring Committee. A functioning financial intelligence unit is central to Russia's ability to cooperate internationally to combat money laundering, to its participation in the Egmont Group and FATF, and to track and freeze terrorist assets.

Although the Russia Federation maintains diplomatic relations with the seven states presently on the US Government's State Sponsors of Terrorism list, the Russian Government firmly opposes state-sponsored terrorism and supports international initiatives to combat it. The Government of Russia maintains that its relationships with such states serve as a positive influence that has—or may have—moderated or diminished the support these governments provide for terrorism.

In February, the Federal Security Service hosted an antiterrorism conference in St. Petersburg. They invited representatives from the law-enforcement and intelligence agencies of approximately 40 countries, including the United States.

At the United Nations, Russia circulated a draft General Assembly resolution calling for enhanced cooperation among all components of the UN system in the fight against terrorism. The resolution also noted the interconnection between terrorism, transnational organized crime, and drug trafficking. Russia is using its seat at the new NATO-Russia Council to emphasize counterterrorism cooperation. In December, Russia hosted a NATO-Russia conference on the Role of the Military in Combating Terrorism. At the most recent Asia-Pacific Economic Cooperation (APEC) summit, held at the same time of the Moscow hostage crisis in October, President Putin's representative, Prime Minister Mikhail Kasyanov, said that the Moscow crisis compelled "the countries that were to some extent reluctant to join in this coalition to more actively participate in

combating all signs of terrorism." The APEC summit generated a very strong statement against terrorism, including a decision to monitor the misuse of the Islamic alternative remittance *hawala* system.

In a much publicized statement on 11 September, President Putin asserted what he claimed was Russia's international right to take unilateral military action against Chechen fighters and other terrorists in Georgia's Pankisi Gorge (near the border with Russia) if Georgia did not carry out more active measures against the fighters. He followed his statement with a letter to President Bush, which he copied to the United Nations and world leaders. From 29 July to the end of 2002 there were at least five instances of Russian cross-border aerial bombardment of Georgian territory. During an attack on 23 August—witnessed by OSCE border monitors and confirmed through independent means—Russian bombs claimed the life of a Georgian civilian and wounded seven others.

The US Government has stated its unequivocal opposition to any unilateral military action by Russia inside Georgia and repeated its strong support for Georgia's sovereignty and territorial integrity. It has urged Georgia to address the security problems arising from the presence of Chechen and third-country extremists with connections to al-Qaida in the Pankisi Gorge. The United States has encouraged Georgia and Russia to work together to promote regional security within their respective territories and to find negotiated, political solutions to their many disagreements.

## **Tajikistan**

The Government of Tajikistan continued to cooperate fully with US antiterrorism efforts throughout 2002.

In March, the Government submitted its report on counterterrorism efforts to the UN Security Council Committee created under UNSCR 1373.



Throughout the year, moreover, the government consistently supported antiterrorist efforts in the United Nations and the OSCE. It was also a signatory to the Shanghai Cooperation Organization's June statement and its antiterrorism clauses.

Tajikistan continues to be extremely supportive of and cooperative in the global effort to end terrorism. During 2002, Dushanbe became a party to two international antiterrorist conventions—the 1979 International Convention against the Taking of Hostages (6 May 2002) and the 1997 Convention for the Suppression of Terrorist Bombings (29 July 2002). The Government of Tajikistan is now party to eight of the 12 international conventions and protocols against terrorism. Dushanbe has indicated its willingness to become a party to the Convention on the Marking of Plastic Explosives. (It should be noted that Tajikistan is a landlocked country, and the remaining two conventions relate to maritime navigation and offshore platforms.)

Tajikistan conducted several significant antiterrorist operations during 2002, including the arrests of a number of suspected terrorists. Additionally, in October and November, Government security forces conducted a large counterterrorist operation in the central portion of the country. The Government had announced in November 2001 its agreement to the basing of US and Coalition troops and aircraft in Tajikistan, and throughout 2002, US and Coalition aircraft were permitted to carry out refueling operations at Dushanbe International Airport. The Ministry of Defense detailed four liaison officers to US Central Command Headquarters in connection with Operation Enduring Freedom.

Tajikistani security authorities, moreover, have stepped up border security and pledged to prevent escape attempts into Tajikistan by Taliban and al-Qaida members. The Government has been open to participating in US Government-supplied antiterrorism training and assistance. The Ministries of Foreign Affairs and Finance have also

cooperated with Washington's attempts to trace and freeze terrorist assets and have worked to tighten their financial controls.

Throughout 2002, Dushanbe continued its investigations into a number of incidents of domestic and international terrorism that had occurred in Tajikistan in 2001. In August, the Government announced the formation of a special investigation and prosecution unit to look into the assassinations of a number of high-ranking officials in 2001 and previous years. The effort included the killings of the First Deputy Minister of the Interior, the State Advisor to the President on International Affairs, and the Minister of Culture—as well as the Independence Day suicide bombing (which injured one other person) in September 2001 and the murder of two members of the Baha'i faith in Dushanbe in late 2001. According to public statements by the Deputy State Procurator-General (head of the special unit), arrests were made in several of the cases. The investigations continued. Convictions were obtained in some of the cases, including the murders of the First Deputy Minister of the Interior and the Minister of Culture; in both cases, those convicted received the death penalty.

On 3 November 2002, the Government announced the extradition of 12 members of the Islamic Movement of Uzbekistan, which the United States has designated a Foreign Terrorist Organization and also has designated pursuant to Executive Order 13224, to Uzbekistan for prosecution. The Tajikistani Ministry of Security captured the suspects during a security sweep, according to a public statement. While the United States currently does not have an extradition treaty with Tajikistan, Dushanbe has officially declared that multilateral instruments such as international conventions against terrorism or the UN Convention Against Transnational Organized Crime, when it enters into force internationally, could form a basis for extradition under Tajikistani law. In particular, the Government announced in September that those

arrested in the investigation of the murders of two adherents of the Baha'i faith were found to have links to Iranian-backed terrorist groups.

There were no prosecutions during the year of cases relating directly to terrorism, although several participants in the 1998 coup attempt led by Col. Mahmud Khudoberdiev were convicted on charges that included terrorism. The charges stemmed from their association with Khudoberdiev rather than from involvement in terrorist acts.

## Ukraine

The Government of Ukraine supported US antiterrorism efforts throughout 2002. Since the beginning of operations in Afghanistan, Ukraine has allowed more than 5,000 overflights for aircraft participating in Operation Enduring Freedom and provided airlift assets for some Coalition forces participating in the operation. The Government also provided, at Washington's request, light weapons and kits to equip the equivalent of a brigade's worth of Afghan National Army troops. Ukraine has become party to all 12 of the United Nations conventions against terrorism, and it also has adopted legislation bringing it into legal conformity with the Financial Action Task Force (FATF) standards. The Government of Ukraine has agreed to install US Government-funded nuclear portal monitors at 20 border crossings, airports, and ports to detect the transit of nuclear material and is working with us to implement technical upgrades for nuclear plant security. We are also working closely with the Ukrainians to implement a program to upgrade security at institutes whose biological agents could be used to produce weapons. The Ukrainian Rada (parliament) recently passed legislation tightening Ukraine's export-control laws to protect against the proliferation of weapons to rogue states.

President Kuchma has repeatedly made public statements supporting US Government efforts against terrorism. Ukrainian citizens were among the victims of the seizure of the Dubrovka Theater in Moscow on 23 October by 40 armed Chechen

extremists. Three Ukrainian citizens were killed in the incident.

## Uzbekistan

The Government of Uzbekistan continued its unprecedented support of Coalition efforts in the war on terrorism during 2002. It has continued to make public statements condemning terrorist acts, and it has allowed basing of Coalition forces at Karshi-Khanabad and Termez and overflight by Coalition forces. The Ministry of Defense detailed five liaison officers to US Central Command Headquarters in connection with Operation Enduring Freedom. Tashkent agreed to all US requests to freeze assets of groups linked to terrorism financing.

Uzbekistan has continued to be extremely supportive of and cooperative in the global effort to end terrorism. The Government has continued to participate in US-led initiatives such as the Department of State's Antiterrorism Assistance Program, border-security and law-enforcement projects funded by the Department's Bureau for International Narcotics and Law Enforcement Affairs, US Customs export-control and border-security programs, and the Defense Department's programs on threat reduction and weapons of mass destruction.

Several thousand members of Hizb ut-Tahrir, an extremist political movement that wants to establish a borderless, theocratic caliphate throughout the entire Muslim world, are present in Uzbekistan. Hizb ut-Tahrir pamphlets, full of anti-US propaganda, have been distributed throughout the country. There is no evidence to date that Hizb ut-Tahrir has committed any terrorist acts, but the group is clearly sympathetic to Islamist extremist objectives.

The Government of Uzbekistan continues to go to extraordinary lengths to ensure security, especially during significant national holidays, against terrorist acts. Uzbekistan maintains relatively tight security on its borders and is working with the US



*Uzbek President Islam Karimov and US Central Command Chief Gen. Tommy Franks shake hands after their meeting in Tashkent, Uzbekistan, 23 August 2002.*

Government to upgrade its capabilities to detect items of concern related to the spread of weapons of mass destruction. Although no incidents were reported in 2002, Uzbek border guards have detected radioactive shipments on the border in previous years.

Tashkent remains vigilant against potential actions by the Islamic Movement of Uzbekistan, despite the loss of its charismatic leader Juma Namangani and their former sanctuary with the Taliban in Afghanistan. Uzbekistan also plays an active role in the counterterrorism agenda of the Shanghai Cooperation Organization, the Organization for Cooperation and Security in Europe, and the United Nations.

Uzbekistan is a party to all 12 international conventions and protocols relating to terrorism.



## Europe Overview

*"Terrorism and weapons of mass destruction combine modern technology and political or religious fanaticism. If unchecked they will, as September 11 showed us, explode into disorder and chaos."*

*British Prime Minister Tony Blair,  
10 September 2002*

European nations continued to work in close partnership with the United States in the global counterterrorism campaign. In addition to sharing intelligence information and working with the United States on investigations of terrorist groups, European countries forged closer cooperative links with their neighbors. As a result, European authorities arrested a significant number of terrorists, disrupted planning for terrorist attacks, and intercepted funds destined for terrorist organizations.

The United Kingdom continued its close partnership with the United States, redoubling its counterterrorism efforts around the world. UK authorities detained several extremists in the United Kingdom on terrorism-related charges. The United Kingdom aggressively moved to freeze the assets of organizations and persons with terrorist links and to proscribe terrorist groups. The United Kingdom provided significant counterterrorism assistance and training to a number of countries and worked with other countries to investigate the Bali bombings in October 2002.

Italy continued its exemplary work against terrorism, disrupting suspected terrorist cells and capturing al-Qaida suspects in Milan and elsewhere who were providing support to terrorist operations and planning attacks. An Italian court sentenced members of the Tunisian Combatant Group to prison terms, marking the first conviction of al-Qaida associates in Europe since 11 September 2001. Members of the New Red Brigades, an offshoot of the once-powerful entity that disrupted Italian life in the 1970s, are suspected of the murder of an adviser to the

Italian Government. Other terrorist groups also carried out several small-scale attacks.

Spain's vigorous investigation of extremist groups resulted in the detention of a significant number of terrorist suspects, including two individuals believed to be financiers for the al-Qaida network. Spanish police, working with French counterparts, also continued to score substantial successes against the Basque Fatherland and Liberty (ETA) terrorist organization, arresting two of the group's senior leaders. Spanish and French authorities dealt a strong blow against the First of October Antifascist Resistance Group (GRAPO) when they conducted a joint investigation that resulted in the arrest of over 20 GRAPO suspects. French investigators probed terrorist attacks that killed at least 20 French citizens in Tunisia, Pakistan, and Indonesia.

Cooperation among European law-enforcement authorities was a feature of many successes during the past year. For example, in addition to joint efforts between France and Spain against ETA and GRAPO, France, Belgium, the United Kingdom, and others were involved in investigations of "shoe bomber" Richard Reid.

Officials in Germany continued their extensive investigation of extremists associated with the al-Qaida Hamburg cell that supported the September 11 hijackers. Germany also placed several high-profile terrorists on trial, including a member of the Hamburg cell and four North Africans accused of plotting to attack the Strasbourg Christmas market in 2000. Twenty German citizens fell victim to terrorist attacks in Djerba, Tunisia, and in Bali, Indonesia.

Turkey arrested a number of individuals with ties to al-Qaida and continued to fight dangerous domestic terrorist groups. For the first time, Greece arrested members of Revolutionary Organization 17 November, marking significant progress against a domestic terrorism problem. The arrests

appeared to have begun the unraveling and dismantling of one of Europe's oldest terrorist groups.

The countries of southeast Europe have actively supported the international Coalition against terrorism. Albania and Bulgaria have extended blanket landing and overflight clearances. Along with Croatia, they have also contributed troops to the International Security Assistance Force in Afghanistan and weapons and ammunition to the Afghan National Army. Albania and Bosnia and Herzegovina have shut down nongovernmental organizations with links to terrorist networks and frozen terrorist assets, and the Bosnian Government arrested and transferred to US control several terrorist suspects accused of planning an attack against the US Embassy in Sarajevo.

Denmark also made noteworthy contributions to the war on terrorism. On the economic front under its European Union (EU) Presidency leadership, in forging a workable EU Clearinghouse they froze assets of terrorist groups, even those not taken to the UN Security Council Resolution (UNSCR) 1267 Sanctions Committee. On the military front, they continued their commitment to Operation Enduring Freedom through the Danish-Norwegian-Dutch F-16 contingent at Manas Airbase.

Heads of State and government met at the Prague Summit in November to endorse NATO's commitment to develop capabilities to meet new challenges such as terrorism and weapons of mass destruction.

## **Albania**

Despite its limited resources, Albania has provided considerable support on counterterrorism. Albania supported US and international counterterrorist initiatives by extending blanket landing and overflight clearances for Operation Enduring

Freedom; providing commando troops to the International Security Assistance Force in Afghanistan and weapons to the Afghan National Army; and adopting legislation to coordinate the counterterrorism efforts of its police, military, intelligence service, and Ministries of Finance and Foreign Affairs. Albania also joined international efforts to fight terrorism by signing agreements with Germany to repatriate illegal immigrants and with Romania to combat terrorism, drug trafficking, and organized crime. Albania had some success in implementing measures at its major ports to combat illegal trafficking.

Tirana took measures to freeze terrorist assets and shut down nongovernmental organizations suspected of international extremist activity and detained or expelled individuals suspected of having links to terrorism. Albania also provided ongoing close cooperation to the United States in sharing information and investigating terrorist-related groups and activities. Institutional weaknesses, corruption, organized crime, and difficult terrain continued to hamper Albania's ability to carry out counterterrorism initiatives, however. Efforts to strengthen Albania's money-laundering legislation in May did not clarify or increase the scope of the laws in 2002, but Parliament expects to pass improved legislation, including specific terrorist-financing provisions, in 2003.

The aftershocks of the Chechen hostage crisis at the Moscow Theater in Russia reached Albania. At the Russian Government's request, Albania denied entry to Chechen delegates who tried to attend the Transnational Radical Party Congress, which supports Chechen independence. Although a previously unknown Islamic terrorist group, "Allah's Martyrs," threatened to disrupt the Congress, the Government stepped up security measures, and the Congress concluded peacefully.

Albania is a party to 11 of the 12 UN international conventions and protocols relating to terrorism.

## Belgium

The Belgian Government has cooperated with US counterterrorism efforts on several levels. Brussels was timely and proactive in sharing information with the United States regarding terrorist threats to US citizens or facilities. Belgium's Financial Intelligence Unit provided the US Financial Crimes Enforcement Unit with information on individuals and entities with suspected ties to terrorist groups. The Belgian General Intelligence and Security Service also cooperated closely with US authorities.

Belgian authorities are continuing their investigations of several individuals arrested in 2001 who are of interest to the United States. Authorities are examining Richard Reid's activities and associates in Belgium, particularly in light of Reid's stay at a Brussels hotel shortly before he attempted to ignite his shoe bomb while on American Airlines Flight 63 in December 2001. Nizar Trabelsi, a Tunisian national arrested by Belgian authorities in September 2001 for his involvement with a plot to bomb the US Embassy in Paris, claimed in June 2002 that his plan was to attack Kleine Brogel airbase in Belgium. Authorities have nearly completed the investigation of Tarek Maaroufi—a Tunisian-born Belgian national arrested in December 2001 for allegedly providing forged passports to the two assassins of Northern Alliance leader Ahmad Shah Massoud.

Belgian authorities have been working on several initiatives to improve the country's counterterrorism capabilities. In May 2002, the Government created the Office of the Federal Prosecutor, which has the potential of becoming a centralized point of contact for counterterrorism cooperation with other countries. Before the September 11 attacks, Belgium had established an Anti-Terrorism Unit (ATU) within the federal police to centralize domestic investigations of terrorism-related activity. While the ATU was not given formal jurisdiction over terrorism-related cases, it works closely with local police.

Parliament passed legislation expanding the range of investigative measures available to police and

was to consider a draft bill that would enhance the Government's ability to combat terrorism. The bill defines and outlaws membership in, or support for, a terrorist organization. Additional pieces of legislation aimed at enhancing the capabilities of the intelligence service to track terrorist suspects and increasing the access of counterterrorism officials to information gathered by independent investigative magistrates were also being drafted.

Belgium is a party to six of the 12 international conventions and protocols relating to terrorism. Belgium has frozen the assets of individuals and entities included on the UNSCR 1267 Sanctions Committee's consolidated list of individuals as being associated with Usama Bin Ladin, members of al-Qaida, and members of the Taliban. Nonetheless, because the Government lacks the legal authority to do so, Belgium has not fulfilled the broader obligations of UNSCR 1373, which requires nations to freeze the financial assets of terrorists.

## Bosnia and Herzegovina

The Government of Bosnia and Herzegovina (BiH) has taken a strong stance against terrorism and condemned acts of international terrorism. Bosnia is a party to seven of the 12 international conventions and protocols relating to terrorism and has initiated procedures to ratify four additional ones.

In early 2002, BiH authorities arrested and transferred to US control several individuals suspected of planning an attack on the US Embassy in Sarajevo. In October, Stabilization Force (SFOR) detained an individual linked to al-Qaida for conducting surveillance of SFOR personnel and facilities and for possessing a rocket-propelled grenade launcher. (The suspect was turned over to Bosnian Federation authorities in late January 2003, who released him on bail. The Federation Government filed charges against him for illegal weapons possession in February 2003.)



In accordance with UNSCRs 1267 and 1373, the Government also froze the assets and prohibited future transactions of several Islamic nongovernmental organizations (NGOs), including the Benevolence International Foundation (BIF), Al-Haramain Islamic Foundation, and the Global Relief Fund, which have direct links to al-Qaida and Usama Bin Ladin. Documents seized from the offices of the BIF link its leader directly to Usama Bin Ladin. Bosnian cooperation with US law enforcement, including the testimony of BiH officials, supported successful prosecution of the BIF leader in US Federal Court.

The Government has continued to investigate the role of six former Bosnian Federation officials suspected of operating a terrorist-training camp in BiH with Iran in the mid-1990s. Criticism by nationalist Bosnian Muslim politicians, particularly in the runup to October's general elections, appears to have made some officials hesitant to pursue this case and other high-profile counterterrorism actions, however. The formation of nationalist governments at the state, entity, and cantonal levels may adversely affect future cooperation in the fight against terrorism.

The Bosnian Government introduced measures to address some of the administrative and legal challenges it faces in combating terrorism. The Government strengthened its border and financial controls, created a unified Federation intelligence service, and created Bosnia's first national identity card. (The High Representative's imposition of a new state-level criminal code and criminal procedure code in January 2003 reinforced the criminal justice system, including specific provisions aimed at terrorism.) Several additional pieces of antiterrorism legislation remain pending before parliament, however. As of October 2002, the State Border System had assumed coverage over 100 percent of Bosnia's borders and all operating international airports. Since introducing tighter immigration controls, authorities have reduced illegal immigration via Sarajevo Airport by an estimated 90 percent. The State Information and Protection Agency, whose mission includes

combating terrorism, illegal trafficking, organized crime, and smuggling of weapons of mass destruction, thus far has been ineffective because it lacks authority and resources.

## France

France has provided outstanding military, judicial, and law-enforcement support to the war against terrorism. France made a significant military contribution to Operation Enduring Freedom, including some 4,200 military personnel supporting operations in Afghanistan. The Charles de Gaulle carrier battle group flew more than 2,000 air reconnaissance, strike, and electronic warfare missions over Afghanistan. France provided close air support to US and Coalition forces during Operation Anaconda.

French investigators cooperated in a joint investigation with the FBI of Richard Reid, the would-be "shoe bomber." In the 30-day period after Reid's arrest in December 2001, the FBI and the Paris Criminal Brigade maintained often twice-daily contact with US authorities and provided information that proved critical to building the criminal case against Reid. French authorities have continued aggressively to pursue leads related to the Reid case.

The French Government reached a compromise agreement with the United States to provide evidence gathered in the Zacarias Moussaoui case, despite domestic criticism.

The French judiciary continued to pursue domestic terrorism cases vigorously. A French court in October convicted and sentenced two Islamist terrorists to life in prison for their roles in a series of bombings of the Paris subway in 1995 that killed eight persons and wounded more than 200. In October, the Justice Ministry decided to add a fifth investigative magistrate to its specialized team of antiterrorist judges.

In November, French authorities arrested Slimane Khalfaoui, who is likely associated with the Meliani cell, a group of five individuals arrested in December 2000 and April 2001 for allegedly planning to attack the cathedral square in Strasbourg, France. Khalfaoui also is suspected of ties to Ahmad Ressay—the Algerian arrested in December 1999 at the US-Canadian border in an alleged plot to bomb Los Angeles International Airport—and Rabah Kadri, an Islamic radical arrested in the United Kingdom for a plot to attack the London subway.

France continued to cooperate with Spain in dismantling Basque Fatherland and Liberty (ETA), the Basque terrorist organization. In November, both countries signed a protocol granting Spanish counterterrorism officials enhanced access to French information obtained from arrested ETA members. In September, two principal ETA leaders, Juan Antonio Olarra and Ainhoa Mugica Goni, were arrested in a joint operation in Bordeaux. Olarra was linked to at least nine murders.

In October, France requested that the UNSCR 1267 Sanctions Committee add two North African terrorist groups operating in France—the Tunisian Combatant Group and the Moroccan Islamic Combatant Group—to its consolidated list of individuals and entities associated with Usama Bin Ladin, al-Qaida, and the Taliban. The United States subsequently blocked the groups' assets under Executive Order 13224. Despite its generally cooperative stance against terrorism, France opposes listing Hizballah as a terrorist organization. France designates terrorist groups in concert with the EU. The EU has designated the "terrorist wing" of HAMAS but not the group as a whole, citing its political and social role in Lebanon.

France has become a party to 11 of the 12 international conventions and protocols relating to terrorism.

Terrorists attacked French interests or citizens several times in 2002. In April, two French citizens were killed in a suicide attack against a synagogue on the Tunisian island of Djerba. In May, a suicide bomber exploded a vehicle alongside a bus in Karachi, killing 14 persons, including 11 French engineers. Terrorists also attacked the Limburg, a French supertanker, off the coast of Yemen in October. The attack resulted in one casualty and caused an oil spill of 90,000 barrels into the Gulf of Aden. Four French nationals were killed and seven wounded in the bombing of a Bali nightclub in October. The Corsican National Liberation Front claimed responsibility for a string of nonlethal bombings in Paris and Marseilles in early May. There were multiple, non-lethal, unclaimed bombings on Corsica in November.

## Germany

Germany is an active and critically important participant in the global Coalition against terrorism. The country's efforts have made a valuable contribution to fighting terrorists inside and outside of German territory.

Several German citizens were killed in terrorist attacks in 2002. In April, 14 German tourists died in a suicide attack against a synagogue on the Tunisian island of Djerba. Six German citizens were killed in the bombing of a Bali nightclub in October.

During 2002, Germany played an important role in both Operation Enduring Freedom (OEF) and the UN's International Security Assistance Force (ISAF) in Afghanistan. Germany's contribution to OEF included 100 special-forces soldiers; 50 troops manning nuclear, biological, and chemical detection units in Kuwait; and approximately 1,800 personnel in a naval task force off the Horn of Africa. Germany reinforced ISAF's capabilities with approximately 1,300 troops, and German troop levels will



*Courtroom sketch of Mounir el Motassadeq, on trial 22 October 2002, in Hamburg, Germany, for allegedly aiding the Hamburg terrorist cell involved in the September 11 attacks.*

increase to approximately 2,500 in connection with the undertaking by Germany and the Netherlands in December to assume leadership of ISAF in February 2003.

Germany has taken a lead role in Afghanistan's reconstruction through humanitarian and development assistance. German personnel helped train and equip a new Afghan police force, and Germany contributed 10 million Euros to the force.

German law-enforcement officials arrested several suspected terrorists. In October, authorities arrested Abdelghani Mzoudi for allegedly supporting the al-Qaida cell in Hamburg involved in the 11 September 2001 attacks. Mounir el Motassadeq, a Moroccan national who was arrested in November 2001 for his alleged

membership in the Hamburg cell, went on trial, and it was continuing at year's end. (El Motassadeq was convicted early in 2003.) Five reported members of the al-Qaida-linked al-Tawhid organization were arrested in April and were awaiting indictment. German police thwarted a possible terrorist attack when they arrested a Turkish male and an American female suspected of attempting to bomb the US military base in Heidelberg.

In April, a trial opened in Frankfurt against four Algerians and a Moroccan accused of planning an attack on the Strasbourg Christmas market in December 2000. Some of the defendants claim that their intention was to bomb an empty Jewish synagogue but not kill anyone.

After lengthy negotiations, Germany agreed in November to provide the US Government with evidence in the US trial of French national Zacarias Moussaoui, who was arrested in August 2001 and is suspected of involvement with the 11 September hijackings.

Germany continued to take action against Caliphate State—a radical Turkish Islamic group based in Cologne—which was outlawed in December 2001. In September 2002, German authorities banned another 16 groups linked to Caliphate State and raided the homes and offices of suspected affiliates.

Germany has adopted antiterrorism reforms that should further its ability to fight terrorism. The reforms include bolstering the ability of intelligence officials and police to identify and pursue suspected terrorists, screening visa applicants for terrorists, improving border security, and allowing armed air marshals on German aircraft. Germany broadened its legal code to permit prosecutions of terrorists based outside of the country. Germany also modified its law on associations to remove the "religious privilege" clause, which had allowed extremist organizations to operate freely as religious organizations. The Government has used





*President George W. Bush and Secretary of State Colin Powell walk past honor guards after arriving in Berlin, Germany, 22 May 2002, at the start of a four-nation trip to Europe where Bush told allies, "we've got to be tough" in the battle against terrorism.*

its new legislation, particularly the strengthened law on associations, to ban violence-prone extremist organizations.

Strong data-privacy protections and high evidentiary standards mean that terrorist investigations may take several months before arrests can be made, although administrative measures under the law of associations can be used to hamper the activities of extremist groups. Strong German opposition to the US death penalty has complicated efforts to forge a Mutual Legal Assistance Treaty with the United States, but negotiations are continuing.

Germany is a party to 10 of the 12 international conventions and protocols relating to terrorism.

Germany has frozen 30 bank accounts associated with terrorist groups valued at about \$95,000.

In 2002, Germany was chosen to chair the international Financial Action Task Force, which coordinates multilateral efforts on countering terrorist financing and money laundering.

## Greece

Greece made significant progress in 2002 combating domestic terrorism. For the first time, Greek authorities arrested suspected members of Revolutionary Organization 17 November (17 November), a group regarded as one of Europe's deadliest and most enduring in its nearly three decades of operations. Eighteen suspects were put on trial. The Government seized assets belonging to suspected 17 November members and blocked accounts belonging to other indigenous European terrorist organizations. Police also have been seeking evidence that will allow them to arrest members of Greece's other domestic terrorist groups, including Revolutionary Nuclei, its predecessor Revolutionary Peoples' Struggle, and 1 May. Despite the high-profile arrests, other leftist groups and anarchists conducted low-level attacks and demonstrations in Athens and Thessaloniki. The number of anti-US terrorist attacks—all nonlethal—rose from 2001's low of three to seven.

The Greek Government's record against transnational terrorist groups is mixed. It provided engineering troops to the International Security Assistance Force in Afghanistan, stationed a frigate in the Arabian Sea, and deployed two cargo aircraft to Pakistan to support the global Coalition against terrorism. The Government also ordered all banks and credit institutions to search for and block accounts belonging to Usama Bin Ladin, the al-Qaida network, and officials of the former Taliban regime.

Greece is a party to 10 of the 12 international conventions and protocols relating to terrorism.

The Government continued its security preparations for the 2004 Olympics and views the Games as an opportunity to increase international counterterrorism cooperation. To comply with EU counterterrorism regulations, Greece was expected to pass counterterrorism legislation mandating minimum sentences for terrorists and extending the statute of limitations for terrorist-related homicides from 20 to 30 years, in early 2003. Greece also pledged counterterrorism cooperation with its neighbors Romania and Bulgaria.

## Hungary

Hungary has been fully supportive of the war against terrorism and US initiatives against al-Qaida and other terrorist organizations both within its borders and abroad. Throughout 2002, Hungary maintained consistent political support for the war on terror, actively promoting the US position in NATO and the UN, and giving high-level endorsement to our policies.

In support of Operation Enduring Freedom, Hungary developed a package of excess weapons, ammunition, and equipment to be donated to help with our Georgia Train and Equip Program and the Afghan National Army training project. The total amount for Afghanistan was 437 tons, valued at \$3.7 million. The Georgia program was 8 tons, valued at \$25,000. Also in 2002, Hungary offered a military medical unit as part of the International Security Assistance Force peacekeeping force, which was to deploy in early March to Afghanistan.

The Government has affirmed the previous government's commitment to contribute \$1 million in humanitarian aid to Afghanistan, \$300,000 of which was sent in December 2001 and the remainder of which will be delivered in 2003. Also

in 2002, Hungary ratified the last of the international conventions and protocols relating to terrorism; it is now a party to all 12. In addition to a December 2001 law on money laundering and terrorist financing which brought it into full compliance with EU and Financial Action Task Force norms, Hungary has developed additional legislation which would go well beyond that of most countries in reporting requirements for financial transactions. This legislation is currently before the Hungarian Parliament.

Cooperation with US and regional officials on export and border controls also continues to be outstanding. In several cases, Hungarian officials have proactively pursued and developed leads and provided extensive cooperation to US officers that have stopped the transshipment of hazardous goods. Hungary is actively improving its technical ability to track and control dangerous materials, and its imminent accession into the EU is accelerating this process. Finally, Hungary has been active in mentoring its neighbors to the south and east and in 2002 offered four training courses or programs on counterterrorism and export controls for Balkan neighbors.

## Italy

Italy has been an active partner in the war against terror, providing its only carrier battle group—more than 13 percent of its naval forces—to support combat operations in the North Arabian Sea for use in Operation Enduring Freedom (OEF). The “De La Penne” group (a destroyer and a frigate) relieved the carrier battle group on 15 March 2002. In addition to the 350 Italian troops serving as part of the International Security and Assistance Force in Afghanistan, the Italian Parliament agreed in October to send some 1,000 soldiers to support OEF and deployed troops shortly thereafter. The Italian Air Force has been flying sorties out of Manas Airbase, and Italian engineers helped repair a runway at Bagram Airfield.



## 17 November Case Study



*Composite photo of Alexandros Yiotopoulos, the ideological leader of 17 November.*

*Savvas Xyros, suspected member of 17 November, is escorted by antiterrorist police officers at Korydallos maximum security prison in Athens, 2 September 2002.*



In 2002, Greek law-enforcement officials were able to dismantle Greece's most notorious and lethal terrorist group, Revolutionary Organization 17 November (17 November). The organization claimed its first victim, US Station Chief Richard Welch, in 1975. Despite the efforts of successive Greek governments, 17 November operated with impunity for almost 28 years. In that time, the group murdered five US Embassy employees and injured many other official US citizens in Greece, even as it was also targeting Turkish and British officials and ordinary and official Greeks. In addition, 17 November caused extensive property damage.

The beginning of the end for 17 November came on 29 June 2002, when a bomb carried by 40-year-old Savvas Xyros exploded prematurely in the port area of Piraeus, severely injuring Xyros. While hospitalized and in custody, Xyros admitted to police and prosecutors that he had been a member of 17 November since 1989, provided information on the structure of the group, and gave authorities the names and aliases of the group's leadership and more than a dozen other members, including two of his own brothers.

Once deemed the most elusive terrorist group in Europe, 17 November quickly unraveled, largely as a result of the diligence of Greek Government and law-enforcement officials. Acting on their own information as well as on the numerous leads provided by the public, Greek authorities rounded up 19 members from across Greece. Key successes in the investigation included:

- The discovery of safehouses. In searches of Savvas Xyros's apartment and following tips received from the public, Greek police discovered two 17 November safehouses in the heart of Athens. In those apartments, authorities found weapons (including infantry-style rockets, grenades, and small arms), explosives, 17 November documents, and other incriminating materials and terrorist paraphernalia that later were tested and forensically linked to 17 November suspects and terrorist acts claimed by the group.
- The arrest of the reputed leader of 17 November. On 17 July, Greek police arrested Alexandros Yiotopoulos, described by 17 November arrestees as the group's leader, on the island of Lipsi. Yiotopoulos, a 58-year-old academic, fit the profile of 17 November's mastermind and author of the group's lengthy proclamations and communiques, according to Greek police. The son of a well-known 1930s Trotskyite, Yiotopoulos is believed to have been active in Paris-based student groups opposed to the Greek military dictatorship. Even after that junta fell, extremist and militant left-wing sympathizers were active in Greece. Yiotopoulos and others capitalized on this and the rise of anti-American sentiment to attract members. Yiotopoulos is also accused of pulling the trigger in the Welch murder.
- The surrender of 17 November's "Operations Chief." On 5 September, an unrepentant Dimitrios Koufodinas, dubbed 17 November's Operations Chief, turned himself in to authorities following an unsuccessful manhunt lasting several months. In addition to his responsibility for much of the group's operational planning, Koufodinas is accused of directly participating in numerous murders and other 17 November attacks.

With each successive arrest and saturated media coverage, the Greek police further dissolved the myth of invincibility surrounding 17 November's organization and leadership structure. At the same time, the Greek public played a growing part in the investigation, offering statements, providing lead information, and cooperating with authorities. Technical experts from the United States and the United Kingdom also offered assistance in the investigation. Many foreign countries, particularly those victimized by 17 November over the years, have praised Greek officials for their efforts against the group. US Ambassador to Greece Thomas Miller said, "The Greek Government is the one deserving to be credited with the success" against 17 November. He added "serious work has been done in past years. There is a very efficient public order minister. There is determination. It is this determination that will help the Greeks round up any remaining 17 November members and finally eradicate their terror from the streets of Greece."



Italian police arrested several suspected terrorists and disrupted potential attacks against the United States and its allies. In May, Italian police in Milan arrested five individuals who were suspected of providing funds to al-Qaida. In October, Italian authorities arrested four Tunisians for document forgery; they may have also been planning to conduct a terrorist attack in Europe, possibly in France.

Italy prosecuted several al-Qaida-affiliated individuals, putting on trial three North Africans suspected of providing logistics support to the group. In February, a judge in Milan sentenced four members of the Tunisian Combatant Group to up to five years in jail for providing false documentation and planning to acquire and transport arms and other illegal goods. Italian authorities also suspect the group was planning a terrorist attack against the US Embassy in Rome. This was the first time al-Qaida associates were convicted in Europe since 11 September 2001.

In August, working with the US Treasury Department, Italian authorities froze the assets of 25 individuals and organizations designated by the United States under Executive Order 13224. Eleven were individuals connected to the Salafist Group for Call and Combat, while 14 were organizations linked to two known al-Qaida-linked financiers, Ahmed Idris Nasreddin and Youssef Nada.

A variety of leftwing terrorist groups carried out attacks in Italy. In March, the recently resurgent Red Brigades-Communist Combatant Party (BR-PCC) was accused of assassinating Marco Biagi, an advisor to the Italian Labor Ministry. Several other groups, including the Anti-Imperialist Territorial Nuclei, the 20 July Brigades, and the Proletarian Nuclei for Communism, claimed responsibility for numerous small-scale attacks throughout Italy.

Italy is a party to 10 of the 12 international conventions and protocols relating to terrorism.

## Lithuania

Lithuania took several steps to combat terrorism. Although there are no known al-Qaida operatives in Lithuania, the Government has worked effectively to arrest and deport a small number of individuals associated with HAMAS and Hizballah. The Government also monitored and reported to the United States on the transfer of \$100,000 to a suspected terrorist via a Lithuanian bank. Lithuania has deployed limited personnel in support of Operation Enduring Freedom and the International Security Assistance Force in Afghanistan.

To improve its overall counterterrorist efforts, the Government adopted the National Counter-Terrorism Program, which identified deficiencies, goals, and deadlines and established the Interagency Coordination Commission Against Terrorism. It also increased security along its border with Belarus, at the Vilnius airport, and at the Ignalina Nuclear Power Plant. As a result of increased scrutiny at the country's border-control points, Lithuanian Border Guards apprehended more than 1,000 persons—mostly Lithuanians—sought by police, none with established terrorist connections.

The Lithuanian Government has emphasized working with European Union and North Atlantic Treaty Organization partners, as well as other countries. In April, Lithuania cosponsored with the United States an international conference on terrorist challenges, and in October the Ministry of Defense signed an agreement with the US Defense Department on the prevention of proliferation of weapons of mass destruction. Vilnius has bilateral agreements with Belarus, Germany, Hungary, and Kazakhstan to cooperate in the fight against terrorism. During visits to Azerbaijan, Armenia, and Georgia in April, Lithuania's Foreign Minister and his counterparts discussed joint antiterrorism efforts.

Lithuania is a party to 10 of the 12 major UN antiterrorism conventions and protocols.

## The Netherlands

The Netherlands supported the global Coalition against terrorism with leadership, personnel, and materiel, including the deployment of more than 200 ground troops to Afghanistan. (In 2003, it took over joint command of the International Security Assistance Force with Germany.)

The Dutch implemented two agreements with the United States to increase border security. The Netherlands became the first country to agree to host a US Customs team; it will deploy under the Global Container Security Initiative at Rotterdam, one of Europe's busiest ports. The Government also agreed to allow US immigration officers at Amsterdam's Schiphol Airport to work on joint anticrime and counterterrorism operations. The Netherlands' Prime Minister stated that the United States and his country stand "shoulder to shoulder" in the struggle for global security.

In April and August, Dutch authorities arrested approximately two-dozen extremists—10 of whom remain in custody—who are accused of supporting terrorists and recruiting combatants for jihad. Authorities are also investigating their possible links with the assassins of Afghan opposition leader Ahmad Shad Massoud, who was killed in 2001 by al-Qaida members. In September, police arrested Ansar al-Islam's leader, Mullah Krekar. (In January 2003, the Dutch Justice Minister unexpectedly released and deported Krekar to Norway despite a pending Jordanian request for extradition.) In February 2002, a Dutch court, citing insufficient evidence, ordered the release of a man suspected of involvement in an al-Qaida plot to blow up the US Embassy in Paris.

The Dutch have taken a leading role, particularly in the European Union, to establish financial protocols to combat terrorism. They also donated \$400,000 to the International Monetary Fund to provide assistance to countries that lack the wherewithal to implement some of these measures immediately.

The Government has proposed changes to Dutch law that will make it easier to prosecute supporters of terrorist groups. Under Dutch law, terrorist organizations are not illegal entities. The new legislation will criminalize the provision of information, money, and material assistance to terrorist organizations. The Netherlands is a party to all 12 UN antiterrorism conventions and protocols.

The Dutch have taken steps to freeze the assets of individuals and groups included on the UNSCR 1267 Sanctions Committee's consolidated list, most notably the New People's Army and the leader of its political wing, Jose Maria Sison. Nevertheless, the political wings of other terrorist groups, such as KADEK (formerly the PKK) and the Revolutionary People's Liberation Party/Front (DHKP/C), are allowed to operate as long as they do not commit terrorist acts or other crimes in The Netherlands.

## Spain

Spain has offered strong, multifaceted support in the global war against terrorism. In May, the Spanish Government approved a contribution of 1,200 troops to the International Security and Assistance Force. As part of Operation Enduring Freedom, Spain participated in several humanitarian transport missions and contributed three C-130 Hercules planes and 70 soldiers to an airborne detachment. From January to October, a Spanish medical detachment served at the Bagram Air Base near Kabul. Spain also is heading a naval task force off the Horn of Africa to disrupt terrorist movements in the region.

In 2002, Spain arrested several individuals with possible links to al-Qaida. In July, Spanish authorities arrested three individuals of Syrian origin because of their alleged al-Qaida links. One of the detainees made suspicious video recordings while on a trip to the United States in 1997, including a videotape of the World Trade



*Citizens protest against ETA in Santa Pola, Spain, 6 August 2002, two days after a powerful car bomb killed two persons and injured 45.*

Center. The three individuals were released on bail because of weak evidence in the case. In April, Spanish police arrested two suspected al-Qaida financiers—Mohammed Galeb Kalaje Zouaydi, a naturalized Spanish citizen of Syrian descent, and Ahmed Brahim, an Algerian. In January, police arrested Najib Chaib Mohamed, a Moroccan national, for his alleged involvement in a suspected al-Qaida recruiting and logistics cell headed by Imad Eddin Barakat Yarkas, whom Spanish authorities had apprehended in November 2001.

Spain made progress in its decades-old campaign to eliminate domestic terrorist groups, including the Basque Fatherland and Liberty (ETA) organization—a radical Basque terrorist group. In November, Spain and France signed a protocol granting Spanish counterterrorism officials enhanced access to French information obtained from arrested ETA members. In September, Spanish and French police arrested two principal ETA leaders, Juan Antonio Olarra and Ainhoa Mugica Goni, in a joint operation with French authorities in Bordeaux. Olarra is linked to at least nine murders. The Spanish Parliament passed a law that provides a strong mechanism for the possible de-legalization of Batasuna, ETA's political wing. A case against Batasuna was before the Spanish Supreme Court at year's end. In a

separate case in August, a judge ordered a provisional ban on Batasuna's activities, froze the group's financial assets, and closed their offices. ETA's attacks, nonetheless, had killed five Spanish citizens by year's end, down from 15 in 2001 and 23 in 2000.

Thirty-two ETA members and ETA-related organizations, such as Askatasuna, were included in Executive Order 13224, which blocks the assets of terrorists.

Spanish and French authorities made joint advances against the domestic terrorist group First of October Anti-Fascist Resistance Group (GRAPO). A series of arrests in July and November resulted in the capture of 22 suspected GRAPO members.

Spain is a party to all 12 international conventions and protocols relating to terrorism.

## Turkey

The Turkish Government, long a staunch counterterrorism ally, continued to provide strong support in the campaign against terrorism. Turkey was quick to provide military assistance to Operation Enduring Freedom. Former Prime Minister Ecevit backed a parliamentary resolution permitting the Government to send Turkish troops abroad and to allow foreign troops to be stationed on Turkish soil. Turkey offered to provide a 90-man special-operations unit in Afghanistan. In June, Turkey took the leadership of the United Nation's International Security Assistance Force and contributed 1,400 soldiers to the peacekeeping force.

Turkish authorities have arrested several suspected terrorists who may be linked to al-Qaida. In August, authorities arrested Mevlut Kar, a Turkish citizen suspected of being an Islamic terrorist, at the Ankara airport. In April, Turkish authorities arrested four individuals associated with al-Qaida in Bursa.



Three members of the Union of Imams, a Jordanian group with links to al-Qaida, were arrested in February in Van. The individuals were suspected of planning a bombing attack in Israel. Subsequently, Turkish police arrested Ahmet Abdullah, a courier from northern Iraq, for providing assistance to the Union of Imams.

The Government of Turkey continued to take steps against domestic terrorist groups. Turkish authorities arrested several members from the Revolutionary People's Liberation Party/Front (DHKP/C)—a virulently anti-US group that killed two US defense contractors and wounded a US Air Force officer during the Gulf war. Although the group did not conduct any attacks in 2002, Turkish officials have expressed displeasure that the group's leadership is ensconced in Western Europe. The European Union included the DHKP/C on its terrorism list in May.

Turkish arrests also weakened Turkish Hizballah, a Kurdish Islamic (Sunni) extremist group that is unrelated to Lebanese Hizballah. In December, authorities arrested Ali Aslan Isik, reportedly one of the group's top leaders. The group's last attack in October 2001 killed two Turkish police officers in Istanbul.

In April, the Kurdistan Workers' Party (PKK) changed its name to the Kurdistan Freedom and Democracy Congress (KADEK) and declared its commitment to political versus armed tactics to advance Kurdish rights in Turkey. In October, a Turkish court commuted Abdullah Ocalan's, the group's imprisoned leader, death sentence to a life term. KADEK maintains that it has continued to abide by its self-declared peace initiative throughout 2002, but it continues to arm an estimated 8,000 trained fighters in and around Turkey.

Turkey is a party to all 12 international conventions and protocols relating to terrorism.

## United Kingdom

The United Kingdom, which has taken important political, financial, and law-enforcement steps to advance international counterterrorist efforts, remains one of the United States' staunchest allies. At its peak, the British contribution to Operation Enduring Freedom included more than 4,500 personnel as well as aircraft, ships, and submarines. In March, it deployed a 1,700-strong force to Afghanistan to combat al-Qaida and initially led the International Security Assistance Force. It also participated in Coalition counterterrorism operations outside Afghanistan, including maritime patrols in the Arabian Sea. London has unfrozen assets linked to al-Qaida and the Taliban totaling \$100 million and made them available to the legitimate Afghan Government.

The United Kingdom is a party to all 12 international conventions and protocols relating to terrorism and chairs the UN's Counter Terrorism Committee. The United Kingdom actively campaigned in the European Union, G-8, North Atlantic Treaty Organization, and United Nations for coordinated counterterrorism efforts and routinely lobbied UN members to become parties to the 12 antiterrorism conventions and protocols.

The United Kingdom launched aggressive efforts to disrupt and prosecute terrorists. Since December 2001, the Government has detained 15 foreign nationals under its Anti-Terrorism, Crime and Security Act, which allows extended detention of non-British nationals suspected of being international terrorists but who cannot be removed from the country immediately. The Government defeated a legal challenge to the antiterrorism law on appeal after the Special Immigration Appeals Commission ruled the law discriminatory and unlawful. Several other terror suspects also have been arrested and charged with terrorism-related offenses. In February authorities arrested Shaykh



*British Foreign Secretary Jack Straw listens to remarks by Secretary of State Colin Powell as they brief the press, 15 October 2002. Both stated that the Bali bombings made them more determined than ever to pursue the war on terrorism.*

Abdullah Ibrahim el-Faisal on charges of inciting racial hatred for remarks he made calling for the murder of nonbelievers, Jews, Americans, and Hindus. He was charged with crimes under the Public Order Act and the Offences Against the Person Act.

The United Kingdom froze the assets of more than 100 organizations and 200 individuals with links to terrorism. In October, the Government proscribed four terrorist groups associated with al-Qaida—Jemaah Islamiya, the Abu Sayyaf Group, the Islamic Movement of Uzbekistan, and Asbat al-Ansar—bringing to 25 the total number of groups banned under the Terrorism Act of 2000. The United Kingdom has not frozen the assets belonging to political or humanitarian wings of terrorist groups HAMAS and Hizballah, owing to Britain's definition of terrorist organizations.

The United Kingdom was assisting in extraditing four individuals charged with terrorist acts in the United States or against US citizens, including an Algerian suspected of involvement in the 2000 "Millennium Conspiracy." The US request to extradite three men for their involvement in the 1998 US Embassy bombings in East Africa is pending an appeal to the European Court of Human Rights. British courts denied one US extradition request—an Algerian pilot suspected of training the September 11 hijackers, citing insufficient evidence. In November, the Government introduced legislation to streamline the lengthy extradition process. The

United States and United Kingdom are also in the process of negotiating a new extradition treaty.

Training and financial assistance have been in the forefront of the UK's bilateral counterterrorism relationships. The United Kingdom trained security personnel in bomb disposal and hostage-negotiating techniques, assisted law-enforcement and regulatory authorities in terrorist-finance investigations, and, through its capacity-building programs, helped countries draft counterterrorism legislation.

The United Kingdom's intelligence and security agencies significantly deepened their bilateral counterterrorist relationships. It established major counterterrorism-assistance programs in South and Southeast Asia and worked with Indonesia, Australia, and the United States to investigate the October bombings in Bali. The British Government in November introduced a new bill on international crime cooperation that would allow police from EU member states to operate independently in Britain under specific circumstances and permit British police to track suspicious individuals across most UK borders, except its border with Ireland. The British police have worked closely with the Greek police to investigate the assassination in June 2000 of the British military attache in Athens and in the wider hunt for members of the 17 November terrorist group.

The Government took steps against domestic terrorism as well. Security officials disrupted numerous planned terrorist attacks, although in August the Real IRA (RIRA) killed a construction worker at a British Army base. In October, RIRA threatened additional violence. The investigation into the 1998 Omagh bombing linked to the RIRA continues, and British authorities also prepared for the trial of two suspected RIRA members connected with a series of car bombings in England in 2001. Sectarian violence—in large part fueled by loyalist paramilitaries—continued throughout the year and served as the backdrop to the decision by the British Government to suspend the Northern Ireland Assembly in October.



### Middle East Overview

*"Islam rejects all acts of terrorism and every terrorist. Moreover, an evil act is considered a contradiction of both Islamic Sharia (law) and human logic."*

*Saudi Prince Sultan bin Abdulaziz,  
10 September 2002*

Terrorism remained a fundamental feature of the Middle East political landscape in 2002. Terrorist groups and their state sponsors continued terrorist activities and planning throughout 2002. Usama Bin Ladin's al-Qaida continued to be active in the region. Additionally, HAMAS, the Palestine Islamic Jihad (PIJ), Hizballah, and other groups opposed to a comprehensive Middle East peace maintained their attacks on civilians. Most Middle Eastern countries—including some that sponsor terrorist groups and with which the United States has differences—showed significant cooperation with the US-led campaign against terrorism, however.

In many nations, Middle Eastern allies of the United States thwarted terrorist incidents targeted against US interests and citizens, disrupted terrorist planning and operations, and enhanced their counterterrorism relations with the United States. Many have continued to provide tangible support for Operation Enduring Freedom, including personnel, basing, and overflight privileges. Most Middle East governments froze al-Qaida financial assets pursuant to UN Security Council Resolutions 1373, 1267, 1390 and 1455. Notably, all Middle Eastern countries with an American diplomatic and/or military presence were responsive to US requests for enhanced security for personnel and facilities during periods of heightened alert. The Government of Saudi Arabia, for example, has begun enhanced direct cooperation and coordination with the United States to counter terrorist financing and operations.

The Government of Yemen has continued a broad counterterrorism campaign against al-Qaida and suspected al-Qaida members within its territory with several notable successes and provided

excellent cooperation with the United States. Jordan and Kuwait continued to counter suspected terrorists and provided superb security support to US facilities in the wake of the assassination of US diplomat Laurence Foley in Amman and the fatal shootings of US servicemen in Kuwait. The United Arab Emirates continued to buttress ongoing counterterrorism efforts in the Gulf.

Egypt's solid record of counterterrorism cooperation included efforts at brokering a cease-fire among Palestinian rejectionist groups that would halt terrorist violence in Israel and the Occupied Territories. The Governments of Algeria, Tunisia, and Morocco all actively supported the global campaign against terrorism.

Syria cooperated with the US Government and its partners in investigating al-Qaida and some other organizations. Damascus has continued, however, to support Hizballah, HAMAS, the PIJ, and other Palestinian rejectionist groups that conduct terrorist operations in the region. The Syrians have continued to assert that the activities of these groups constitute legitimate resistance. They sometimes even condone Palestinian suicide bombings and other attacks against civilian targets within Israel, the West Bank, and Gaza Strip.

The Gulf countries of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates played strong roles in the international Coalition against terrorism. These governments have continued to implement positive steps to halt the flow of terrorism financing and provide other assistance in the war on terrorism. In many instances, they did so despite popular disquiet over their governments' military support for Operation Enduring Freedom and other counterterrorism activities. As in many other countries, US interests were often subject to terrorist threats. The Gulf governments as a whole were extremely responsive in providing appropriate and effective security measures.



Maghreb governments likewise gave strong support by searching for terrorist financing, providing increased security to US interests, and thwarting actual terrorist plots. For example, Morocco arrested and prosecuted Saudis and Moroccans who allegedly were planning to attack NATO ships in the Straits of Gibraltar and also developed comprehensive antiterrorism legislation.

Iran, Iraq, Libya, and Syria, which have been designated as state sponsors of terrorism, are discussed in the state sponsorship section of this report.

## **Algeria**

President Bouteflika has publicly pledged his Government's full cooperation in the war against terror. As part of its effort, the Government of Algeria strengthened its information sharing with the United States and worked with European and other governments to eliminate terrorist-support networks linked to Algerian groups, most of which are in Europe. In 2002, Algeria hosted an international conference on crime and counterterrorism that was attended by almost 20 international delegations. The Government also hosted the Africa Union Summit on terrorism.

The Algerian Government enacted new laws combating violent extremism, most significantly a presidential decree allowing Government institutions to monitor accounts in private banks and creating a unit in the Ministry of Finance to fight money laundering. On the security front, Algerian authorities in late November announced that they had eliminated an al-Qaida operative who had been working with the country's domestic extremist groups.

Algeria is a party to 10 of the 12 international conventions and protocols relating to terrorism.

Algeria itself has been ravaged by terrorism since the early 1990s. Terrorism within the country remained a serious problem in 2002, although the level of violence has declined markedly over the past decade as Government forces have steadily reduced the areas in which militants operate. Most violence occurred in areas outside the capital, although militants on occasion still attempt attacks in the Algiers region.

The Salafist Group for Call and Combat—the largest, most active terrorist organization operating in the country—maintained the capability to conduct operations. It collaborated with smugglers and Islamists in the south who supplied insurgents with weapons and communications equipment for attacks in the north.

## **Bahrain**

Bahrain, which hosts the US Naval Forces Central/Fifth Fleet Headquarters and provides basing and extensive overflight clearances for a multitude of US military aircraft, has been essential to the continued success of Operation Enduring Freedom (OEF). Bahraini military assets have participated in OEF Coalition naval operations including terrorist interdiction efforts, and Bahrain offered a medical unit for OEF duty. The King, Crown Prince, and other senior Bahraini ministers have been outspoken public proponents of the war on terrorism. The Government of Bahrain cooperated closely and effectively on criminal investigations related to the campaign against terrorism. In September, for instance, Bahraini authorities were essential in the transfer to US custody of Mukhtar al-Bakri, a US citizen suspected of terrorist activity.

Equally important, the Bahrain Monetary Authority quickly implemented UN Security Council Resolutions (UNSCR) 1267, 1390, and 1455, as well as 1373, ordering financial institutions to identify and freeze accounts of organizations associated with members of al-Qaida, Usama Bin Ladin, and members of the Taliban that the UNSCR 1267 Sanctions Committee has included on its consolidated list. To date, seven accounts have been identified and frozen. Bahrain has developed financial regulations to ensure that charitable contributions are not channeled to financing terrorists. The Government of Bahrain has been extraordinarily responsive to US Government requests for additional security measures in recent years and continued to give the highest priority to the protection of US lives and property in Bahrain.

Bahrain is a party to five of the 12 international conventions and protocols relating to terrorism.

## Egypt

The Egyptian and US Governments continued their close cooperation on a broad range of counterterrorism issues in 2002. The relationship deepened in 2002 as the countries coordinated closely on law-enforcement issues and the freezing of assets, consistent with the requirements of UNSCRs 1373, 1267, 1390 and 1455. Egypt also cooperated with the United States in freezing the assets of individuals and organizations designated by the United States pursuant to Executive Order 13224. In law enforcement, the Egyptian Government deepened its information-sharing relationship in terrorist-related investigations. The Government provided immediate information, for example, in the investigation of the shootings on 4 July at Los Angeles airport, which involved an Egyptian national. Its response was critical in determining that the shooting was an individual act, not part of a terrorist conspiracy. The Egyptian Government also provided the name and full identification (numerical identifiers and photo) of a terrorist believed to be in the United States.



*His Royal Highness Prince Saud Al Faisal, Minister of Foreign Affairs of Saudi Arabia; His Excellency Ahmed Maher Al-Sayyed, Minister of Foreign Affairs of the Arab Republic of Egypt; His Excellency Marwan Jamil Al-Muasher, Minister of Foreign Affairs of the Hashemite Kingdom of Jordan; and Secretary of State Colin Powell speak to reporters after their meeting at the State Department, July 2002.*

The Government of Egypt has continued to be committed to searching and freezing terrorist funds in Egyptian banks. In 2002, the Egyptian parliament passed an anti-money-laundering law that strengthens banking regulations and permits the Government more latitude in its campaign to staunch the flow of terrorist funds. The Egyptian Government, both secular and clerical, continued to make public statements supportive of US efforts and indicative of its commitment to the worldwide campaign against terrorism.

In addition to combating global terrorism, Cairo continued to place a high priority on the protection of US citizens and facilities in Egypt. It increased security for US citizens and facilities and for US forces, both stationed in Egypt and transiting the country to the Gulf, by air or through the Suez Canal. Egypt has strengthened its airport security, agreed to stricter aviation-security measures, and granted extensive overflight and canal transit clearances.

Egypt was for many years itself a victim of terrorism. President Mubarak first called for an international conference to combat terrorism in 1986. With US assistance and training, Egypt has effectively combated the internal terrorist/extremist threat. There were no acts of terrorism in Egypt in 2002, either against US citizens, Egyptians, or other nationals. The Government continued a “zero tolerance” policy toward suspected terrorists and extremists.

During 2002, the Government prosecuted 94 members (seven of whom were tried in absentia) of a group dubbed “al-Wa’ad” (the Promise), accused of having supplied arms and financial support to Chechen rebels and HAMAS. On 9 September, the military tribunal sentenced 51 defendants to terms ranging from two to 15 years while acquitting 43. On 20 October, the Government brought 26 members of the Islamic Liberation Party to trial in the supreme state security court. The defendants, who include three Britons, stand accused of joining a banned group, attempting to recruit members for that group, and spreading extremist ideology. The group was banned in Egypt in 1974, following an attempt to overthrow the Government and establish an Islamic caliphate.

The United States deported a member of the Egyptian Islamic Jihad in 2002 for trial in connection with the assassination of President Anwar Sadat. Several other members of Egyptian terrorist organizations were returned to Egypt from abroad. During the summer, the Egyptian Government announced plans to release from prison a large group of al-Gama’a al-Islamiyya (IG) leaders and members, sentenced in the early 1980s. In 1997, the group’s leadership in prison declared a cease-fire and halt to all armed operations and acts of violence. In 1999, IG leadership abroad declared their support for the initiative. This year, the IG leadership in prison in Egypt published four pamphlets on the religious basis and legitimacy for ending all violence and armed operations. In the fall, the Government

began releasing IG members and leaders who they believe have transformed their ideology and religious beliefs while in prison.

Egypt is a party to nine of the 12 international conventions and protocols relating to terrorism.

### **Israel, the West Bank, and Gaza Strip**

Israel maintained staunch support for US-led counterterrorist operations as terrorist activity in Israel, the West Bank, and Gaza Strip continued at a heightened level in 2002. HAMAS, the Palestine Islamic Jihad (PIJ), and the al-Aqsa Martyrs Brigades, all of which the United States has designated as Foreign Terrorist Organizations and has designated pursuant to Executive Order 13224, were responsible for most of the attacks, which included suicide bombings, shootings, and mortar firings against civilian and military targets. Terrorists killed more than 370 persons—including at least 10 US citizens—compared to fewer than 200 persons killed in 2001.

Israel is a party to eight of the 12 international conventions and protocols relating to terrorism.

Israeli authorities arrested individuals claiming allegiance to al-Qaida, although the group does not appear to have an operational presence in Israel, the West Bank, and the Gaza Strip. Palestinian terrorist groups in these areas publicly distanced themselves from Usama Bin Ladin and appear focused on attacking Israel, versus joining in a fight against the West.

Israel responded to Palestinian terrorism with large-scale military operations. Israeli forces launched incursions into the West Bank and the Gaza Strip, conducted targeted killings of suspected Palestinian terrorists, destroyed the homes of families of suicide bombers, and imposed closures and curfews in Palestinian areas. Israel expelled two family members of Palestinian



terrorists from the West Bank to the Gaza Strip in September. Two of Israeli's most extensive operations—Defensive Shield, launched in March, and Determined Path, launched in June—reduced the frequency of Palestinian attacks; continuing attacks, however, show the groups remained potent.

HAMAS was particularly active, carrying out over 50 attacks, including shootings, suicide bombings, and standoff mortar-and-rocket attacks against civilian and military targets. The group was responsible for the most deadly Palestinian terrorist attack of the year—the suicide bombing of a Passover gathering at a Netanya hotel that killed 29 Israelis, including one dual US-Israeli citizen. HAMAS's bombing of a cafeteria on the Hebrew University campus, which killed nine, including five US citizens, demonstrated its willingness to stage operations in areas frequented by Westerners, including US citizens.

The PIJ increased its number of lethal attacks in 2002, staging a car bombing in June that killed 17 Israelis near Megiddo. It carried out similar attacks in or near Afula, Haifa, and Hadera. PIJ terrorists conducted deadly shooting attacks in 2002 as well, including a two-stage ambush in Hebron in late November that killed at least 12 persons, including several security personnel who responded to the initial attack. Syrian officials declined to act on a US request in November to close the PIJ's offices in Damascus.

In March, the US Department of State officially designated the al-Aqsa Martyrs Brigades (al-Aqsa), which emerged in 2000, as a Foreign Terrorist Organization (FTO), and designated it pursuant to Executive Order 13224. Al-Aqsa-linked attacks have killed at least five US citizens. The group conducted numerous shooting attacks and suicide bombings in 2002, some of which employed new techniques. On 27 January, an al-Aqsa suicide bombing that killed one person and injured 50 used a female suicide bomber for the first time. The group claimed responsibility for a shooting attack that killed six Israelis waiting to vote in the Israeli Likud party elections in November. Documents

seized by the Israelis and information gleaned from the interrogation of arrested al-Aqsa members indicate that Palestinian Authority (PA) and Fatah members, including Chairman Yasir Arafat, made payments to al-Aqsa members known to have been involved in violence against Israelis.

Payments by Iraq to the families of Palestinian "martyrs" in 2002 were intended to encourage attacks against Israeli targets and garner more support for Iraq among Palestinians. In October, the West Bank leader of the Iraqi-backed Arab Liberation Front admitted under Israeli interrogation to having overseen the transfer and distribution of up to \$15 million in Iraqi money to martyrs' families, confirming Palestinian and other press accounts of such transfers.

Jewish extremists raised their profile in 2002. Several Jewish extremists, some with ties to Kach, a designated FTO, were arrested in April and May for plotting to blow up a Palestinian school for girls or a Palestinian hospital in Jerusalem. Jewish extremists were also arrested for inciting a violent clash between Israeli settlers and Israeli security forces in October; extremists also attacked and injured Palestinian agricultural workers, and some US citizens were also the victims in these attacks.

The Palestinian Authority's efforts to thwart terrorist operations were minimal in 2002. Israeli military operations in the West Bank and Gaza Strip degraded a PA security apparatus that was already hobbled by corruption, infighting, and poor leadership. Some personnel in the security services, including several senior officers, have continued to assist terrorist operations. Incidents such as the seizure in January of the Karine-A, a ship carrying weapons that Iran planned to deliver to the PA, further called into question the PA's ability and desire to help prevent terrorist operations. President Bush expressed "disappointment" in Arafat, indicating the intercepted shipment would encourage terrorism. In June, President Bush called for a new Palestinian leadership "not compromised by terror."

## Jordan

The Jordanian Government continued to strongly support global counterterrorist efforts while remaining vigilant against the threat of terrorism at home. Jordan was highly responsive to the security needs of US citizens in country and played a critical role in thwarting attempts to exploit Jordanian territory for attacks in Israel.

Jordan aggressively pursued suspected terrorists and successfully prosecuted and convicted many involved in plots against US or Israeli interests. Jordanian authorities, in mid-January 2003, convicted 10 Jordanians of weapons charges but acquitted them of participating in a plot to target US interests in Jordan. Jordan is working closely with US officials to investigate the murder in late October of USAID officer Laurence Foley. In December, Jordanian authorities arrested two men, a Libyan and a Jordanian, who later admitted to carrying out the assassination after receiving money from al-Qaida leader Abu Musab al-Zarqawi. The two have been charged with the murder and remain in Jordanian custody awaiting trial.

Suspected terrorists continued attempts to exploit Jordanian territory to transit weapons to and from groups in neighboring states, or to use Jordanian territory to facilitate terrorist attacks. Jordanian authorities have successfully intercepted such



*Jordan's King Abdullah and Queen Rania offer condolences to the wife of assassinated US senior diplomat Laurence Foley at her home in Amman, 29 October 2002.*

transiting weapons and personnel on virtually all of its borders. In June, Jordan rendered to Lebanese security authorities three Lebanese Hizballah members arrested after allegedly trying to smuggle weapons destined for the West Bank into Jordan. Jordanian authorities in June also reportedly arrested three Jordanian youths suspected of planning to infiltrate into Israel to conduct terrorist attacks. In July, four Syrians were sentenced to prison terms for illegally possessing explosives they intended to transport to the West Bank. In October, Jordan's State Security Court sentenced four individuals to prison terms ranging from five to eight years after convicting them of possessing and attempting to transport machineguns and missiles into the West Bank.

In May, Jordan's State Security Court indicted six unnamed suspects in connection with a bombing in late February of a Jordanian counterterrorism official's vehicle, killing two passersby.

Jordan is a party to seven of the 12 international conventions and protocols relating to terrorism.



*Jordanian Islamists hold banners showing names of Palestinian suicide bombers during a pro-Palestinian rally in Amman, 21 August 2002.*



## Kuwait

Kuwait has continued to support and cooperate with all actions and requests for assistance in the war on terrorism, particularly in the aftermath of the 8 October attack on Failaka Island in which one US Marine was killed and another wounded, and the attack on 21 November that took place on a Kuwaiti highway in which two US soldiers were wounded. These were the only confirmed terrorist incidents among the Gulf Cooperation Council (GCC) nations in 2002. The attacks strengthened the Government's concerns about the activities of extremists within Kuwait. In the immediate aftermath of the October incident, the Government of Kuwait rapidly located and arrested individuals involved (the two shooters were killed during the attack) and continued to respond favorably to all US Government requests in connection with the ongoing investigation and other security threats. Kuwaiti authorities completed their investigations of the 26 persons suspected of involvement in the attack. Twenty-one were released, and five were referred to the public prosecutor. Trials had begun by year's end. A policeman suspected of carrying out the November shooting was arrested immediately after the attack and remains in Kuwaiti custody.

Cooperation has been strong in the area of terrorist financing as well. Following a review of Kuwaiti laws by the Financial Services Assessment Team, the United States is preparing a technical-assistance program for Kuwait. The Government remains eager to receive formal proposals for training and has indicated a willingness to support such efforts. The Government of Kuwait also established a new entity within the Ministry of Social Affairs and Labor to monitor Islamic charities.

Kuwait is a party to seven of the 12 international conventions and protocols relating to terrorism.



*Marines and their families bow their heads during the benediction for Lance Cpl. Antonio J. Sledd, who was gunned down by terrorists during a military exercise in Kuwait, 8 October 2002.*

## Lebanon

Despite its counterterrorism efforts in 2002, Lebanon experienced an increase in terrorist attacks by Sunni extremist and terrorist groups. Explosions at several US-franchise restaurants and a spike of cross-border attacks into Israel in March and April indicated worsening security conditions. Large demonstrations at the US Embassy during April against US policy in the Middle East



highlighted rising public anger. The murder of a US missionary in Sidon on 21 November may not have been entirely politically motivated, but it clearly demonstrated the danger US citizens face in Lebanon. Prime Minister Hariri condemned the murder, and Lebanese law-enforcement officials launched a full investigation of the crime.

In 2002, the Lebanese Government demonstrated greater efforts against Sunni terrorist groups such as Asbat al-Ansar, which was outlawed. The United States has designated Asbat al-Ansar a Foreign Terrorist Organization and has designated it pursuant to Executive Order 13224. A July confrontation at the Ayn al-Hilwah Palestinian refugee camp—the center of Asbat's activities—resulted in the surrender of a Sunni extremist who had fled into the camp after killing three Lebanese military personnel in Sidon. The Lebanese Armed Forces, however, did not itself enter the camp, and Palestinian refugee camps, much of the Beka'a Valley, southern Beirut, and the southern border area remain effectively outside the Government's control. In October, the judiciary arrested three men (two Lebanese and one Saudi) and indicted 18 others *in absentia* on charges of preparing to carry out terrorist attacks and forging documents and passports. The detainees, because of their al-Qaida connections, will be tried in a military tribunal.

Lebanese efforts against Sunni extremists, including al-Qaida, stand in contrast to its continuing unwillingness to condemn as terrorists several organizations that maintain a presence in Lebanon: Hizballah, the Palestine Islamic Jihad (PIJ), the Popular Front for the Liberation of Palestine-General Command (PFLP-GC), the Abu Nidal organization (ANO), and the Islamic Resistance Movement (HAMAS). The Lebanese Government has long considered these organizations that target Israel to be legitimate resistance groups and has permitted them to establish offices in Beirut. The Government refused to freeze the assets of Hizballah or close down the offices of rejectionist Palestinian organizations. It also continued to reject the US Government's

position that Hizballah has a global reach, instead concentrating on its political wing and asserting it to be a local, indigenous organization integral to Lebanese society and politics. Syrian and Iranian support for Hizballah activities in the south, as well as training and assistance to Palestinian rejectionist groups in Lebanon, help permit terrorist elements to flourish. On 12 March, infiltrators from Lebanon killed six Israelis in Shelomi, Israel, and Hizballah-Palestinian rejectionist groups carried out several cross-border attacks—including firing Katyusha rockets—into Israel.

The Lebanese Government acknowledges the UN list of terrorist groups designated pursuant to UN Security Council Resolutions 1267 and 1390. It does not, however, acknowledge the terrorist groups designated only by the US Government and will take no action against these groups. Constitutional provisions prohibit the extradition of any Lebanese national to a third country. Lebanese authorities maintain that the Government's provision of amnesty to Lebanese involved in acts of violence during the civil war prevents them from prosecuting many cases of interest to the United States, including the 1985 hijacking of TWA 847 and the murder associated with it, and the abduction, torture, and murder of US hostages from 1984 to 1991. US courts have brought indictments against Hizballah operatives responsible for a number of those crimes, and some of these defendants remain prominent in the organization.

The Lebanese Government has insisted that Imad Mugniyah—wanted in connection with the TWA hijacking and other terrorist acts, and placed on the FBI's list of most-wanted terrorists in 2001—is no longer present in Lebanon. The Government's legal system has also failed to hold a hearing on the prosecutor's appeal in the case of Tawfiz Muhammad Farroukh, who, despite the evidence against him, had been found not guilty of murder for his role in the killings of US Ambassador Francis Meloy and two others in 1976.

The Financial Action Task Force recognized Lebanon's amendments to its penal code and administrative efforts against money laundering in June when it dropped Lebanon from the list of countries deemed uncooperative. The Government of Lebanon also offered cooperation with the US Government on the investigation of September 11 hijacker Ziad Jarrah, a Lebanese national.

Lebanon is a party to 10 of the 12 international conventions and protocols relating to terrorism.

### **Morocco**

The Moroccan Government has been quite helpful in the war on terror. King Muhammad VI has unambiguously condemned those who espouse or conduct terrorism and has worked to keep Rabat firmly on the side of the United States against extremists. Morocco is a party to 10 of the 12 international conventions and protocols relating to terrorism.

Domestically, the Moroccan Government's solid record of vigilance against terrorist activity and intolerance for the perpetrators of terrorism remained uninterrupted in 2002. In order to fight terrorism better, the Government began to draft new, stronger laws in the financial and law-enforcement sectors. In addition, Moroccan authorities in 2002 detained several individuals suspected of belonging to an al-Qaida cell. Moroccan authorities say the individuals—some Saudi, some Moroccan—were involved in a plot to attack Western shipping interests in the Straits of Gibraltar. The Moroccan Government put the suspected terrorists on trial.

### **Oman**

Oman continued to provide public and private statements of support for the war on terrorism in 2002 and has been responsive to all Coalition requests for military and/or civilian support. Omani financial authorities have worked closely with the

Coalition to prevent financing of terrorism and have shown keen interest in pursuing cases of particular interest to US law enforcement. In 2002, Oman became a party to the 1991 Convention on the Marking of Plastic Explosives for the Purpose of Detection, making it a party to nine of 12 antiterrorism treaties. It is reviewing the three remaining conventions. There were no incidents of terrorist activity in Oman in 2002.

### **Qatar**

Qatar's support for the United States after the attacks of September 11, 2001 continued throughout 2002. Qatar provides substantial ongoing support for Operation Enduring Freedom. It publicly and repeatedly condemned terrorism, most recently on the occasion of the attack in Bali. The Government took steps to improve border security and has supported US and international efforts to combat terrorist financing. It independently strengthened laws and regulations to prevent money laundering. Both in coordination with the United States and at its own initiative, Qatari law-enforcement authorities detained and investigated individuals suspected of supporting terrorist networks. The Government of Qatar also provided additional security for US installations in response to threat warnings, as requested.

Qatar is a party to five of the 12 international conventions and protocols relating to terrorism.

### **Saudi Arabia**

Saudi Arabia over the past year has continued to provide support for the war on terror. Riyadh has supported Operation Enduring Freedom, has contributed to the stabilization of the situation in Afghanistan through significant donations and has worked as one of the co-chairs of the Afghanistan Reconstruction Steering Committee, and has worked to enhance security at US installations to

match the heightened threat level throughout the Arabian Peninsula. Many within the Government of Saudi Arabia view the events of September 11 as a direct attack against the Kingdom and US-Saudi relations.

Riyadh has expanded its cooperation in the war on terror in some areas, such as sharing threat information and details of ongoing investigations. As a first step in dealing with terrorism financing, the Saudi Government has undertaken a review of its charitable organizations and measures to regulate their operations better, including the adoption of new financial-control mechanisms. In September, the Saudi Interior Minister announced the establishment of the Saudi Higher Authority for Religion and Charity Work to ensure that humanitarian assistance was channeled to appropriate persons and purposes. In October, the Crown Prince brought together the heads of Saudi Arabia's major charities and called for greater responsibility and transparency in their work. The Government is currently in the process of implementing these reforms. It is too soon to tell whether these reforms are preventing terrorists from exploiting these funds.

There were no major successful terrorist attacks in the Kingdom in 2002. Saudi authorities arrested a Sudanese and five Saudis for firing a missile at a US military aircraft taking off from a Saudi airbase, and they continued to investigate the incident. Riyadh was investigating a string of recent car bombings in the Kingdom but maintained that no firm ties to terrorism had been established. In late June, a British national died in a car-bomb explosion in Riyadh. Nine days later, Saudi police removed an explosive device from the car of a US resident in Riyadh. In September, a German national died in another similar car explosion in Riyadh. In addition to investigations of recent incidents, Saudi authorities continued to investigate past terrorist attacks, including the 1996 bombing of the Khobar Towers in which 19 US servicemen died.

Saudi Arabia is a party to six of the 12 international conventions and protocols relating to terrorism.

## Tunisia

The Tunisian Government has supported the international Coalition against terrorism and has responded to requests from the US Government for assistance in blocking financial assets and providing information on extremists. In October, the United States blocked the assets of the Tunisian Combatant Group under Executive Order 13224, at the same time France proposed adding the group to the UN Security Council Resolution 1267 Sanctions Committee's consolidated list. Tunisian President Zine el-Abidine Ben Ali has forcefully condemned terrorist activities and reiterated his country's determination to combat violence and extremism. Tunisia is now a full party to 11 of the 12 existing UN antiterrorism conventions; it has yet to accede to the Convention on the Physical Protection of Nuclear Material agreed to in October 1979.

The Tunisian Government's active stance against terrorism was reinforced by the bombing attack against the El-Ghriba synagogue on the Tunisian island of Djerba on 11 April, which claimed more than 20 lives. In the wake of this attack, the Tunisian Government continued to bring judicial, law-enforcement, and military resources to bear against terrorist suspects. Tunisian authorities have detained an individual in connection with the attack; the suspect is awaiting trial. Earlier in 2002, Tunisian authorities convicted 34 persons—31 *in absentia*—of belonging to Al-Jamaa wal Sunnah, a terrorist organization linked to al-Qaida. The Government says the accused were involved in recruiting European-based Tunisians to fight in Chechnya, Bosnia, and Afghanistan. The Tunisian Government also continued to play a role in countering threats in the region. After signing a





*Bomb damage to a Jewish synagogue in Djerba, Tunisia, after terrorists exploded a tanker truck containing cooking gas outside the synagogue, killing 17 persons, 11 April 2002.*

2001 agreement with the Algerian Government to strengthen border security, Tunisia continued to respond quickly to counter possible border incursions from Islamic militants in Algeria.

Tunisia is a party to 10 of the 12 international conventions and protocols relating to terrorism.

### **United Arab Emirates**

In 2002, the United Arab Emirates continued to provide considerable assistance and cooperation in the war on terrorism. In November, UAE authorities arrested and subsequently turned over

to US authorities Abdul Raheem Al-Nashiri, the head of al-Qaida operations in the Arabian Gulf and the mastermind of the October 2000 attack on the USS Cole in Aden, Yemen. UAE authorities, in the course of their investigation into Al-Nashiri's activities, discovered that he had been planning terrorist operations against major economic targets in the UAE that would have resulted in massive civilian casualties.

In suppressing terrorist financing, the UAE played a critical role in the continuing investigation into the September 11 attacks and provided literally thousands of pages of financial documents pertaining to the movement of terrorist funds. The UAE has created a stronger legal and regulatory framework to deter abuse of UAE financial markets through the passage in January of a comprehensive law criminalizing money laundering, including terrorist money laundering and tightened reporting requirements and oversight. Cooperation across the board—from the financial realm through to security and intelligence—has been strong and sustained.

The UAE in 2002 indicated its commitment to ratifying the international conventions and protocols relating to terrorism to which it is not yet a party and is working toward that goal. (In early 2003, the UAE became a party to the 1973 Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents.) The UAE is now a party to six of the 12 international conventions and protocols relating to terrorism. The Government is in the process of drafting domestic legislation to bring the UAE's counterterrorism legislation fully into compliance with the relevant UN Security Council resolutions. In June 2002, the United States sponsored the UAE's financial-intelligence unit (FIU) for membership in the prestigious Egmont Group, an informal association founded in 1995 to provide support for the FIUs of different nations. The UAE thus became the first Middle Eastern country to join this organization.

The UAE in May hosted a groundbreaking international conference to draw attention to the need for concerted action on the *hawala* informal money-transfer system—a remittance system handling billions of dollars annually but whose informal nature and lack of reporting requirements renders it vulnerable to abuse by terrorists. In November, the UAE began implementing oversight regulations for the local *hawala* market.

## Yemen

The Government of Yemen has continued a broad counterterrorism campaign against al-Qaida and cooperated with the United States in eliminating Abu Ali al-Harithi, al-Qaida's senior leader in Yemen, as cited by President Bush in his State of the Union Address. The Yemeni Government continued to express public support for the international fight against terror throughout 2002. During the year, Yemen enhanced intelligence, military, and law-enforcement cooperation with the United States and, during Vice President Cheney's visit to Sanaa in March, President Salih underscored Yemen's determination to be an active counterterrorism partner. Senior US officials acknowledged that their Yemeni counterparts face challenges in the counterterrorism arena and welcomed President Salih's commitment but made clear that any counterterrorism cooperation will be judged on its continuing results.

There was very close and productive law-enforcement cooperation between Yemeni and US law-enforcement authorities throughout the year. In cooperation with the US Government, Yemen has been actively preparing trials for the majority of those accused of the 12 October 2000 attack on the USS Cole. In addition, Yemeni counterparts cooperated with US law-enforcement elements in several investigations, including that of an explosion in an al-Qaida safehouse in Sanaa on 9 August, analysis of evidence after a raid on 21 September by Yemeni security forces of another al-Qaida location in a northern suburb of Sanaa, joint investigation with Yemeni and French law-enforcement agents of the terrorist attack on

6 October against the French oil tanker Limburg near the Yemeni port of Mukalla, and investigation of suspected al-Qaida involvement in a shooting on 3 November at a Yemen Hunt helicopter shortly after takeoff from Sanaa airport.

As in 2001, the Yemeni Government arrested suspected terrorists and pledged to neutralize key al-Qaida nodes in the country. Political will against terrorism has also been augmented by President Salih's public campaign against terrorism that includes speeches, meetings with local political leaders, and articles in national newspapers. Since September 11, 2001, Yemen has enhanced previously lax security at its borders, tightened its visa procedures, installed the Terrorist Interdiction Program at most border crossings, and prevented potential terrorists from traveling to Afghanistan. Authorities have continued to carefully monitor travelers returning from abroad and have cracked down on foreigners who were residing in the country illegally or were suspected of engaging in terrorist activities. The Government integrated formerly autonomous private religious schools—many of which were propagating extremism—into the national educational system and tightened requirements for visiting foreign students.

Numerous threats against US personnel and facilities in Yemen were reported in 2002. Yemeni security services, however, provided extensive security protection for official US diplomatic and business interests in the country. The Yemeni Government's attitude has been that an attack against US interests would also be an attack against Yemen's interests.

Several terrorist organizations maintained a presence in Yemen throughout 2002. HAMAS and the Palestine Islamic Jihad continued to be recognized as legal organizations and maintained offices in Yemen but did not engage in terrorist activities there. Other international terrorist groups that had an illegal presence in Yemen included the Egyptian Islamic Jihad, al-Gama'a al-Islamiyya,



## US Missionaries Killed in Yemen



*Kathy Gariety*



*Bill Koehn*



*Dr. Martha Myers*

They all called Yemen home. They hailed from Alabama, Kansas, and Wisconsin. Their paths crossed at a Baptist hospital that provided free health care and friendship to the local community in Jibla, a poor town in the rugged hills of southern Yemen. Their lives ended on 30 December 2002, when a lone man walked into the hospital, a Kalashnikov rifle cradled like a baby under his jacket, and gunned down Kathleen Gariety, William Koehn, and Martha Myers. He gained access to the facility by pretending to bring a child to his targets—the hospital workers—for treatment. Before fleeing, the gunman also shot and wounded the hospital pharmacist, Donald Caswell. All four shooting victims were US citizens.

For the three hospital workers who died, Yemen was not a temporary assignment. William Koehn, 60, who worked as the hospital's administrator, had lived with his wife in Yemen for 27 years and planned to retire the following October. Kathleen Gariety, 53, a purchasing agent for the hospital, had been in Yemen for almost a decade. Martha Myers, 54, a physician, had called Yemen home for the past 24 years. The people of Jibla expressed shock and dismay at the murders; many gathered outside the hospital to mourn the day after the attack. They also attended the funerals of the two victims who were buried in Yemen.

President Ali Abdallah Salih sent his condolences to President Bush and, in an official release by the Saba news agency, stated, "The authors of this hateful crime will not escape punishment and will be punished by justice so they can serve as examples to others. We are in the same trench in fighting terrorism and drying up its resources because it is a scourge that threatens peace and security in the world."

and al-Qaida. Similarly, members of indigenous terrorist groups such as the Aden Abuyan Islamic Army may continue to be active in Yemen.

Yemen is a party to eight of the 12 international conventions and protocols relating to terrorism.



### Western Hemisphere Overview

*"The purposes of this convention are to prevent, punish, and eliminate terrorism."*

*The Inter-American Convention Against Terrorism opened for signature in Barbados in June 2002 and signed by 34 member states of the Organization of American States.*

When compared to other regions of the world, the Western Hemisphere generally does not attract attention as a "hot zone" in the war on terror. Terrorism in the region was not born on 11 September 2001, however; Latin American countries have struggled with domestic sources of terrorism for decades. International terrorist groups, moreover, have not hesitated to make Latin America a battleground to advance their causes elsewhere. The bombings of the Israeli Embassy in Buenos Aires in 1992 and the Argentine-Jewish Cultural Center in 1994 are two well-known examples. More recent international terrorist attacks in Bali, Indonesia, and Mombasa, Kenya, in 2002 demonstrate that no region of the world—and no type of target—is beyond the reach or strategic interest of international terrorist organizations.

Recognizing this threat and the impact of terrorism on their economic and social development, the vast majority of countries across the Americas and the Caribbean have given strong support to the international Coalition against terrorism. In June, at the OAS General Assembly in Barbados, member states adopted and opened for signature the Inter-American Convention Against Terrorism—a direct response to the 11 September 2001 terrorist attacks on the United States and the first international treaty against terrorism adopted since the attacks. The Convention, a binding legal instrument which is consistent with, and builds upon, previous UN conventions and protocols relating to terrorism and UN Security Council



*Secretary of State Colin Powell signs the Inter-American Convention Against Terrorism at the General Assembly of the Organization of American States (OAS) in Barbados, 3 June 2002, as the Minister of Foreign Affairs from El Salvador, Maria Eugenia Brizuela de Avila, looks on.*

Resolution 1373, will improve regional cooperation in the fight against terrorism through exchanges of information, experience and training, technical cooperation, and mutual legal assistance. The Convention will enter into force when six states have deposited their instruments of ratification. All OAS member states but one have signed (Dominica is the exception); Canada became the first state to ratify in late 2002. President Bush transmitted the Convention to the Senate for its advice and consent to ratification in November.

Spurred by the Convention and the September 11 attacks, many countries in the Hemisphere have sought to shore up legislative tools to outlaw terrorism, discourage terrorist financing, and make their territory as unattractive as possible to terrorists fleeing from other regions who might seek safehaven in the hemisphere. A number of countries, however, remain engaged in deep internal debate over the scope of new

antiterrorism bills that would grant governments broader powers necessary to prosecute the war on terror. An ongoing OAS Legislative Action Against Terrorism project with Central American parliaments, for example, is aimed specifically at helping legislatures draft antiterrorism legislation and ratify the Inter-American Convention Against Terrorism.

The Western Hemisphere has created a model regional counterterrorism institution in its Inter-American Committee Against Terrorism (known by its Spanish acronym CICTE). CICTE is a body of the OAS that was created in 1998. Since 11 September 2001, it has been reinvigorated as an effective coordinating body for OAS member states on all counterterrorism issues—but with a primary focus on information sharing, training, and strengthening of financial and border controls. Under US chairmanship and Argentine vice-chairmanship, CICTE established a full-time Secretariat in 2002 that is funded by voluntary donations from OAS member states.

(At its Third Regular Session in El Salvador in early 2003, CICTE member states adopted a strong “Declaration of San Salvador Against Terrorism” and made recommendations on counterterrorism initiatives for adoption by the Special Conference on Hemispheric Security, to be held May 2003. The declaration and recommendations both call for increased cooperation to prevent and combat terrorism and recognize the emerging threats posed to the Hemisphere by international terrorist groups and attacks on cyber security.)

The OAS in 2002 also played an important role in the investigation of an illicit diversion in late 2001 of more than 3,000 AK-47 rifles and ammunition from Nicaraguan police and army stocks to the United Self-Defense Forces of Colombia (AUC), which the United States has designated as a Foreign Terrorist Organization and has designated pursuant to Executive Order 13224 on terrorist financing. (The OAS-commissioned report, released in January 2003, contained a detailed analysis of the case along with a series of

recommendations for improving the existing inter-American, arms-control regime. The Government of Nicaragua quickly expressed its intention to follow up on the report and to strengthen its arms-controls and export procedures.)

Domestic terrorist groups have continued to ravage Colombia and, to a lesser extent, Peru. The Colombian Government in February under former President Pastrana cut off long-running peace talks with the Revolutionary Armed Forces of Colombia (FARC), which the United States has designated a Foreign Terrorist Organization, after a series of provocative actions, including kidnapping of a Colombian senator. The FARC intensified its campaign throughout the year and steadily moved its attacks from the countryside to the cities. On 7 August, new Colombian President Alvaro Uribe was inaugurated amid an errant FARC mortar attack that killed 21 residents of a poor Bogota neighborhood. Some elements of the AUC disbanded and reconstituted themselves in an effort to seek political legitimacy, but their ties to narcotrafficking and human rights abuses persist. In December, the AUC declared a unilateral cease-fire and sought peace negotiations with the Government. The National Liberation Army—like the FARC—continued to pursue its favorite terrorist methods of kidnapping and infrastructure bombing. All three organizations are linked to narcotrafficking.

In Peru, a resilient Shining Path is suspected of carrying out the 20 March car bombing at a shopping center across from the US Embassy, two days before a state visit by President Bush. Ten Peruvians died in the attack, including security personnel protecting the Embassy.

At year’s end, there was no confirmed, credible information of an established al-Qaida presence in Latin America. Terrorist fundraising continued to be a concern throughout the region, however. Activities of suspected Hizballah and HAMAS financiers in the Triborder area (Argentina, Brazil,

and Paraguay) led those three countries to take determined and cooperative action during 2002 to investigate and disrupt illicit financial activities. Argentina, Brazil, and Paraguay also invited the United States to join a new “Three Plus One” counterterrorism consultative and cooperation mechanism to analyze and combat any terrorist-related threats in the Triborder. The mechanism is an excellent example of terrorism prevention and regional foresight.

Canada and Mexico worked closely with the United States to secure their common borders and to implement the comprehensive bilateral border accords (signed in December 2001 and March 2002, respectively). The accords aim to ensure national border security while facilitating the free and rapid flow of legitimate travel and commerce.

Cuba, one of the seven state sponsors of terrorism, is discussed in the state sponsorship portion of this report.

## **Bolivia**

The Bolivian Government demonstrated its commitment to combating terrorism in 2002. Since the September 11 attacks, Bolivia has become a party to nine international conventions and protocols relating to terrorism, making it a party to all 12. On 3 June, Bolivia signed the new Inter-American Convention Against Terrorism, although it has not yet ratified the treaty. Throughout the year, Bolivia’s financial investigations unit cooperated with the US Embassy in sharing information about possible terrorist-linked financial transactions and preventing the abuse of Bolivian financial institutions by terrorists.

Bolivia’s new government—inaugurated on 6 August 2002—has maintained its predecessor’s policy of forcibly eradicating illegal coca plants. This policy ensures that Bolivia does not revert to its former status as a key source of coca for cocaine and, through this connection, bolster the terrorist organizations that thrive on the drug trade.

There were no significant acts of terrorism in Bolivia in 2002. Illegal coca growers (*cocaleros*) are thought to be responsible for the deaths of five military and police in 2002, although no individuals have been charged with the crimes. Legal proceedings continued against the alleged perpetrators of a car-bomb explosion near the regional headquarters of the Bolivian National Police in Santa Cruz in December 2001. Some of the alleged perpetrators in custody are former members of the Bolivian national police, and the bombing itself appeared to have been related to local criminal activity.

## **Chile**

The Chilean Government is a consistent and active supporter of US counterterrorism efforts and has taken an active interest in the activities of Islamic extremists connected to the Triborder area of Argentina, Brazil, and Paraguay. In addition, the Chilean Government is working to enact new counterterrorism legislation and strengthen current laws. Chile is a party to 11 of the 12 international conventions and protocols relating to terrorism. The Chilean Senate is considering a bill to create a new Financial Intelligence Unit and criminalize money laundering for arms trafficking and terrorist financing. Chilean officials have sought advice from the US Embassy on how to improve the money-laundering bill and have participated in training courses to improve financial investigations.

The Chilean Government also has contracted an independent consulting firm to author a study on how US law-enforcement agencies have implemented new counterterrorism legislation. Although the Chilean Government has cooperated in efforts to eliminate terrorist financing, it is limited in its ability to investigate and prosecute suspect individuals. Currently, Chilean money-laundering legislation does not cover terrorist activity, so efforts to freeze terrorist funds are hindered by a lack of legal authority.



There were no acts of international terrorism in Chile in 2002, but there were significant developments in three counterterrorism investigations begun in 2001. In late September 2001, the US Embassy had received a letter bomb that local police successfully destroyed in a controlled demolition, and a Santiago doctor's office received an anthrax-tainted letter. The Chilean Government also opened an investigation into the activities in the northern port city of Iquique of Brazil-based Lebanese businessman Assad Ahmad Barakat—suspected of opening two businesses as cover to move money clandestinely to Lebanese Hizballah.

In September 2002, a Chilean judge sentenced two individuals—Lenin Guardia and Humberto Lopez—to 10 years and 300 days in prison for sending the letter bomb to the US Embassy and another to a prominent Chilean attorney. The motivation of Guardia, the professed ringleader, was to create fear in order to generate business for his security-consulting firm.

Another Chilean judge, with the assistance of the FBI, determined the anthrax letter sent in November 2001 to Dr. Antonio Bafi Pacheco was not related to the anthrax cases in the United States and was contaminated locally. This investigation continues.

The investigation into Assad Ahmad Barakat's business in Chile has not led to new information. Barakat was arrested in Brazil in June 2002, and the Brazilian Supreme Court ordered his extradition to Paraguay in December. His lawyers have applied for refugee status in Brazil, and Barakat will remain in detention in Brazil while his refugee case is considered. Barakat no longer has significant holdings in Chile, and his partners in Saleh Trading Limited, located in the northern duty-free port of Iquique, severed ties with him in 2002. Assad and his brother still own an import-export business in Iquique, but according to the Chilean Government, it has not been active.

In August and September, Chilean authorities discovered several small arms caches throughout Santiago and other cities as well as the remnants of explosive material at two communications transmission towers outside Santiago. The weapons and explosives are believed to belong to the largely defunct terrorist group Manuel Rodriguez Patriotic Front (FPMR). Law-enforcement agents believe the weapons were smuggled into Chile in the 1980s, at the height of FPMR's activity, but some view the caches as evidence of an FPMR comeback.

Chile continues to lead other South American nations in its implementation of aviation security. The Government has implemented FAA security regulations ahead of schedule, including the installation of reinforced cockpit doors and the transfer of responsibility for inspecting unaccompanied baggage to the Government.

## Colombia

Colombia's three terrorist organizations—the Revolutionary Armed Forces of Colombia (FARC), National Liberation Army (ELN), and United Self-Defense Forces of Colombia (AUC)—were responsible for some 3,500 murders in 2002. By February, President Pastrana had broken off three-year-old peace talks—a cornerstone of his presidency—with Colombia's largest terrorist organization, the 16,000-member FARC. That month, the group's abduction of a Colombian Senator during an airliner hijacking proved to be the incident that led to the collapse of the discussions. In addition to ending the dialogue, Pastrana also terminated the group's *despeje*, or demilitarized zone, where the FARC had been allowed to exist without government interference during the deliberations.

The inauguration of President Alvaro Uribe on 7 August 2002 set the stage for an intensified war on domestic terrorism. The FARC carried out errant mortar attacks on a military facility and the

Presidential Palace—with heads of state and high-level representatives from many nations in attendance—resulting in the deaths of 21 residents of a poor Bogota neighborhood near the Palace. President Uribe has proposed pension and labor reforms and has imposed a government austerity program, as well as a one-time “wealth tax,” to improve Bogota’s fiscal ability to prosecute its war on terrorism. Bogota’s goal is to increase government defense spending from 3.2 percent of gross domestic product to more than five percent. Colombia is party to four of the 12 international conventions and protocols relating to terrorism.

In 2002, as in years past, Colombia endured more kidnappings (roughly 3,000) than any other country in the world. Ransom payments and extortion fees demanded by the primary perpetrators of kidnapping—the FARC and ELN—continued to hobble the Colombian economy and limit investor confidence. Since 1980, the FARC has murdered at least 10 US citizens, and three New Tribes Missionaries abducted by the FARC in 1993 remain unaccounted for.

Throughout 2002, Colombia was highly cooperative in blocking terrorist assets. Bogota created the Financial Information and Analysis Unit, similar in function to the US Financial Crimes Enforcement Unit. Bogota also has been very responsive to US requests for extradition. As of 6 December, Colombia had extradited 29 Colombian citizens to the United States during 2002, with 26 additional cases pending. Of the six FARC members indicted for the capture and killing in 1999 of three US peace activists, one has been apprehended. Three other FARC members not included in the original indictment were arrested in November 2002 in connection with the murders. The FARC and the AUC continued their practice of massacring one another’s alleged supporters, especially in areas where they were competing for narcotics-trafficking corridors and prime coca-growing terrain. FARC and ELN attacks on oil pipelines and other infrastructure vital to the Colombian economy continued as well, although at a reduced level.

As in past years, the on-again, off-again peace talks between Bogota and the ELN did not lead to substantive breakthroughs. The AUC disbanded itself and subsequently reorganized during 2002. It continued to press for political recognition by the Colombian Government and, as of 1 December, began a unilateral cease-fire that included most of the elements that fall under the AUC’s umbrella.

## Ecuador

Although Ecuador has generally supported US counterterrorism initiatives, the Government’s weak financial controls, inadequately trained security personnel, and widespread document fraud limit its counterterrorism efforts. Quito signed the Inter-American Convention Against Terrorism but has not yet ratified it. Ecuador is party to seven of the 12 international conventions and protocols relating to terrorism.

Ecuadorian security forces worked to reduce the smuggling of arms destined for Colombian terrorist groups and limited travel at a key border crossing to daytime hours. Nevertheless, armed violence on the Colombian side of the border contributed to increased lawlessness in Ecuador’s northern provinces.

In the autumn there were two bombings in Guayaquil, possibly related to Ecuador’s presidential elections, while thousands of protesters traveled to Quito for the Free Trade Area of the Americas Ministerial in October. Several police and demonstrators were shot in the protests and the police dispersed tear gas.

## Peru

Major actions taken by the Peruvian Government during 2002 against terrorism included attempts to strengthen its counterterrorism laws. In June, Lima passed a law that facilitates prosecution for money laundering related to terrorism and mandates the



*A damaged car on its roof after a car bomb exploded in front of the US Embassy in Lima, Peru, 21 March 2002.*

establishment of a financial intelligence unit (FIU). Implementing regulations for the FIU were issued on 31 October, but Lima has provided only token funding for 2003. The Congressional Defense Committee has been reviewing a draft antiterrorism law designed to strengthen law-enforcement agencies, simplify judicial procedures in terrorism cases, increase prison sentences for terrorists, and ensure that Peruvian antiterrorism legislation conforms to international norms. The executive branch also has proposed a draft law that would change the formula for reducing sentences of terrorists from one day off for two days of good behavior to one day off for five days of good behavior.

Peru has aggressively prosecuted terrorist suspects. The Peruvian National Police reported that 199 suspected terrorists were arrested between January and mid-November. These cases and those involving common crimes, however, can remain in the judicial system for years before being resolved. Some 67 percent of inmates held in prisons have not been sentenced. In January, President Toledo directly addressed the issue of long imprisonment for individuals wrongfully held by publicly apologizing to them. A total of 760 persons have been pardoned and released since 1996 after it was determined that they had been accused unjustly of terrorism. Another 1,664 cases are pending review.

In the most significant terrorist act in Peru in 2002, Sendero Luminoso (SL), or Shining Path, is suspected of being responsible for the bombing on 20 March across the street from the US Embassy that killed 10 persons. Peruvian authorities have so far arrested eight suspected SL members for alleged complicity in the bombing. They were being held pending charges, which could take up to one year. SL's involvement in the illegal narcotics business in Peru is noticeably growing, providing the terrorists with a greater source of funding with which to conduct operations. SL is believed to have conducted 119 terrorist acts in 2002 including roadblocks, harassment of security forces, and raids of towns and villages.

Peru is a party to all 12 of the conventions and protocols relating to terrorism.

### **Triborder Area (Argentina, Brazil, and Paraguay)**

The Triborder area (TBA)—where Argentina, Brazil, and Paraguay converge—has long been characterized as a regional hub for Hizballah and HAMAS fundraising activities, but it is also used for arms and drug trafficking, contraband smuggling, document and currency fraud, money laundering, and the manufacture and movement of pirated goods. Although there were numerous media reports in 2002 of an al-Qaida presence in the TBA, these reports remained uncorroborated by intelligence and law-enforcement officials.

In December, a high-level interagency delegation from the United States attended a special meeting in Buenos Aires of the Tripartite Commission of the Triple Frontier, a security mechanism established by the three TBA countries in 1998. This "Three Plus One" meeting (the three TBA countries plus the United States) is intended to serve as a continuing forum of counterterrorism cooperation and prevention among all four countries. At the conclusion of the December talks, the four





*In December 2002, delegates including (L-R) Ambassador Oscar Cabello Sarubbi of Paraguay, US Coordinator for Counterterrorism Cofer Black, US Assistant Secretary of State for Diplomatic Security Francis Taylor, Vice Foreign Minister for Argentina Martin Redrado, Ambassador Marcelo Huergo of Argentina, and Ambassador Antonino Mena Goncalves of Brazil meet for the first Three Plus One Triborder Area Counterterrorism Meeting.*

countries agreed to establish a permanent working group to examine specific counterterrorism issues affecting the four countries. The first issue the working group will tackle in 2003 is that of terrorist fundraising on behalf of Hizballah and HAMAS. Experts from the "Three Plus One" countries will share available information on the problem, draw conclusions, and cooperate to reinforce existing countermeasures.

Host of the December meeting on the Triborder area and a past target of international terrorism, the Government of **Argentina** demonstrated its continuing strong support for the global war on terrorism throughout 2002. Argentina cooperated closely in all significant international counterterrorism efforts within the United Nations and the Organization of American States (OAS), where it was vice-chair of the Inter-American Committee Against Terrorism; the United States was chair. The Argentine Government was instrumental in promoting improved coordination with its neighbors (Brazil, Paraguay, Uruguay, Bolivia, and

Chile) in strengthening security and countering terrorist-support networks in the Triborder area. The Government of Argentina has been particularly cooperative in responding to requests related to blocking the financial assets of terrorists. Argentina is a party to eight of the 12 conventions and protocols relating to terrorism.

In 2002, Argentina reiterated its offer—initially made shortly after the September 11 attacks—of material support for UN-mandated Coalition peacekeeping operations in Afghanistan or elsewhere, if needed.

Although there were no acts of international terrorism in Argentina in 2002, investigations into the 1992 bombing of the Israeli Embassy and the 1994 bombing of the Argentina-Israeli Community Center (AMIA) continued. The trials of 20 suspects in the AMIA bombing—of whom 15 are former police officers—were expected to continue well into 2003.

Since 11 September 2001, Argentina has made no significant progress in enacting new antiterrorism laws that would facilitate the investigation and prosecution of terrorists—largely because past abuses by military regimes have limited the degree to which the public will accept an enhancement of the Government's police powers. In January, the Government created a new office within the Foreign Ministry to coordinate action and policy on international counterterrorism issues, however. In October, Argentina also established a new Financial Intelligence Unit to investigate money laundering and terrorist finance-related crimes.

The Government of **Brazil** extended practical, effective support to US counterterrorism efforts in 2002. Authorities have been cooperative, following up on leads provided by the US Government on terrorist suspects.

A Sao Paulo judge sentenced three Chileans, two Colombians, and one Argentine to 16 years in prison for kidnapping a Brazilian advertising executive. A well-known terrorist and former high-ranking member of the largely defunct Manuel Rodriguez Patriotic Front (Chile), Mauricio Hernandez Norambuena, was among those sentenced.

The Brazilian Federal Police in 2002 arrested individuals with alleged ties to terrorist groups. In April, police arrested Egyptian Mohammed Ali Aboul-Ezz al-Mahdi Ibrahim Soliman (a.k.a. Suleiman), in the Triborder city of Foz do Iguazu. Soliman was arrested on the basis of an Egyptian Government extradition request for his alleged involvement in the 1997 al-Gama'a al-Islamiyya (Islamic Group, IG) attack on tourists in Luxor, Egypt, but the Brazilian Supreme Court released him on 11 September due to insufficient evidence to extradite. On 14 September, another IG suspect, Hesham al-Tarabili was arrested in Brazil at Egypt's request in connection with the Luxor attack.

In another case, authorities in June arrested Assad Ahmad Barakat as a result of an extradition request from Paraguay on charges of tax evasion and criminal association. Barakat is a naturalized Paraguayan of Lebanese origin who had lived in the Triborder area for approximately seven years and had become notorious for allegedly moving millions of dollars to Lebanese Hizballah. The Brazilian Supreme Court on 19 December approved the extradition request. At year's end, Barakat was still in Brazilian custody and applying for refugee status in Brazil.

In January, former President Fernando Cardoso proposed a revision of Brazil's antiterrorism laws that would define terrorism more precisely and impose stricter punishment for those involved in terrorist acts. Brazil became a party to the International Convention for the Suppression of Terrorist Bombings in 2002, making it party to nine of the 12 international conventions and protocols relating to terrorism. Legislation also was pending

to allow wiretaps for court-approved investigations and to become a party to the 1999 International Convention for the Suppression of the Financing of Terrorism. At year's end, neither piece of legislation had yet been submitted for Congressional approval. The Brazilian Government is willing and able to monitor financial operations domestically.

**Paraguay** continued to be an active partner in the war on terror in 2002. Paraguayan authorities have taken numerous steps to disrupt illicit networks that supply substantial funds to Middle East terrorist groups. Authorities carried out two raids on suspected financial terror cells and pursued the extradition from Brazil of local Lebanese Hizballah leader Assad Ahmad Barakat.

Paraguay became a party to the Montreal Protocol in 2002, making it now a party to six of the 12 international conventions and protocols relating to terrorism. Paraguay has diligently responded to requests to block the assets of individuals or organizations designated by the United States, included on the UN Security Council Resolution 1267 Sanctions Committee's consolidated list, or designated by the European Union as terrorists or affiliates.

During 2002, the United States provided technical assistance to help the Government of Paraguay assess vulnerabilities in its financial system and to plan appropriate policy remedies.

Paraguayan authorities arrested Hizballah fundraiser Sobhi Fayad—an associate of Barakat—after he violated the terms of his conditional release from detention while awaiting trial. Because Paraguay's antiterrorism legislation still has not been passed—due to concerns of possible abuses of the law by authorities—Fayad had been imprisoned for nearly 10 months on charges of tax evasion and criminal association. He subsequently was convicted and sentenced to six-and-a-half years in prison.

During the year, authorities took legal action against persons and organizations in the Triborder area involved in illicit activities in an attempt to disrupt the ability of sympathizers to raise funds for terrorists. For example, Paraguay's counterterrorism Secretariat (SEPRINTE) on 27 June arrested suspected Sunni extremist Ali Nizar Dahroug, nephew of former Triborder shopkeeper and suspected al-Qaida associate Muhammad Dahroug Dahroug. Police seized counterfeit goods and receipts documenting wire transfers of large sums of money to persons in the United States and the Middle East, some payable to Muhammad Dahroug Dahroug in Lebanon.

On 25 July, SEPRINTE raided the Ciudad del Este office and apartment of alleged money launderer Fajkumar Naraindas Sabnani, who is allegedly connected to Hizballah. Police found letters detailing the sale of military assault rifles and other military weapons, receipts for large wire transfers, and what appeared to be bomb-making materials. Although police arrested three employees of Sabnani, he remained in Hong Kong.

Officials also have increased security at Asuncion airport. In November, immigration officials detained a self-proclaimed supporter of Usama Bin Ladin en route to the United States, and airline agents prevented three persons claiming to be from Taiwan bearing false passports and US visas from boarding an aircraft bound for the United States.

The Paraguayan Congress rejected antiterrorism legislation that would have defined terrorism and established criminal penalties for activities related to terrorism. Many legislators fear that a corrupt government could use the new law to target political opposition.

## Uruguay

Uruguay did not experience any acts of international terrorism in 2002. The Uruguayan Government has been supportive of the global

Coalition's war against terrorism and routinely condemns acts of international terrorism. Uruguay is a party to eight of the 12 international conventions and protocols relating to terrorism. Although Uruguay does not have the financial or military resources to play a direct role in the war on terrorism, it provides troops to international peacekeeping missions in Africa and the Middle East. Uruguay has seconded staff to the secretariat of the OAS Inter-American Committee Against Terrorism (CICTE) and, following its offer to host CICTE in 2004, was elected Vice Chair in early 2003.

Uruguayan authorities routinely share information and cooperate on counterterrorism efforts with their counterparts—Argentina, Brazil, and Paraguay. Since the Islamic extremist activity is centered on Uruguay's northern border with Brazil, the two countries have worked together closely.

In 2002, Uruguayan law-enforcement authorities assisted with international investigations to monitor the movements and activities of suspected terrorists, and the Parliament is currently drafting new terrorism laws that will further facilitate domestic and international counterterrorism efforts. The Uruguayan Government readily cooperates with US Government requests to investigate individuals or financial transactions linked to terrorism.

Egypt has asked Uruguay to extradite suspected al-Gama'a al-Islamiyya (Islamic Group, IG) terrorist al-Said Hassan Mokhles, wanted in connection with the 1997 attack on tourists in Luxor, Egypt. He has been held in Uruguay since early 1999 on charges of document fraud, but Uruguay and Egypt have been unable to agree on the terms for extradition, in part, because Egypt has not guaranteed in writing that Mokhles will not be subject to the death penalty.



## Venezuela

While the Venezuelan Government expressed sympathy in the months following the 11 September 2001 attacks, Caracas made it clear that it opposed the use of force in Afghanistan and has sent mixed signals during the war on terrorism. Venezuela signed the OAS Inter-American Convention Against Terrorism in June 2002, but has not yet ratified the treaty. Venezuela is a party to four of the 12 international conventions and protocols relating to terrorism.

Nevertheless, Venezuelan laws do not support the efficient investigation of terrorist organization financing or activities; the United States during 2002 provided technical assistance to help the Government of Venezuela assess vulnerabilities in its financial system and to plan appropriate policy remedies. The political crisis at the end of the year, however, had pushed all unrelated issues to the backburner. While Venezuela did extradite two members of the terrorist organization Basque Fatherland and Liberty to Spain, reports abounded that the Revolutionary Armed Forces of Colombia (FARC) and the Colombian National Liberation Army were using the border area between Venezuela and Colombia for cross-border incursions and as an unchallenged safehaven for the guerrillas. Additionally, unconfirmed reports persist that elements of the Venezuelan Government may have provided material support to the FARC, particularly weapons.

## Canada

At the end of 2001, the Canadian Parliament passed into law an antiterrorism act that toughens penalties for terrorists and terrorist supporters and provides new investigative tools for Canadian law-enforcement and national-security agencies. It also makes terrorist fundraising illegal and allows officials to freeze the assets of suspected terrorists, but it cannot be applied retroactively to activities before the law was passed. In July 2002, Canadian officials published a list of banned terrorist organizations pursuant to the antiterrorism

act, which consisted of al-Qaida and six of its known affiliate groups. Addendums to the list in late November and mid-December added nine more groups, including HAMAS and Hizballah, and Canadian officials expect the list to grow further as they examine and evaluate more organizations.

The Government of Canada has been a helpful and strong supporter of the United States in the fight against international terrorism. Despite some differences in approach, overall antiterrorism cooperation with Canada remains excellent and is a model for bilateral cooperation on counterterrorism issues. Seven US law-enforcement agencies have officers posted to Ottawa and other Canadian cities. Canadian law-enforcement personnel, in turn, are assigned to the United States.

Some US law-enforcement officers have expressed concern that Canadian privacy laws, as well as funding levels for law enforcement, inhibit a fuller and more timely exchange of information and response to requests for assistance. Also, Canadian laws and regulations intended to protect Canadian citizens and landed immigrants from Government intrusion sometimes limit the depth of investigations.

The US Attorney General and Canadian Solicitor General conduct policy coordination at the US-Canada Cross-Border Crime Forum, established during the Prime Minister's 1997 visit to Washington. (The Forum met most recently in Calgary in July 2002.) Under the US-Canada Terrorist Interdiction Program, or TIP, Canada records about one "hit" of known or suspected terrorists per week from the State Department's Visa Lookout List.

Additionally, Canada and the United States will hold a new round of talks under the auspices of the Bilateral Consultative Group on Counterterrorism Cooperation, or BCG. This bilateral group is tasked with reviewing international terrorist trends and planning ways to intensify joint counterterrorist efforts. It last met in June 2001 and was expected

to meet in mid-2003. Other cooperative mechanisms include groups led by the immigration and customs services known as Border Vision and the Shared Border Accord, extradition and mutual legal-assistance treaties, and an information-sharing agreement between the US Drug Enforcement Administration and the Royal Canadian Mounted Police. In 2002, Canada cooperated with the United States in implementing most provisions of the Smart Border Action Plan. This plan and its bilateral implementation have become a model for securing national frontiers while ensuring the free and rapid flow of legitimate travel and commerce.

Canada has continued to be a strong supporter of international efforts to combat terrorism. Besides signing and ratifying the International Convention for the Suppression of Terrorist Financing and implementing UN Security Council Resolution 1373, Canada is active in the G-7, G-8, and G-20 and promotes the Financial Action Task Force on Money Laundering's Special Recommendations on Terrorist Financing and other international efforts to counter terrorist financing. In the autumn, Canada also became the first country to ratify the Inter-American Convention Against Terrorism, which was opened for signature in June. Canadian armed forces participated in Operation Enduring Freedom with the largest deployment of Canadian troops overseas since the Korean war. Canada also maintained a naval task force group engaged in interdiction operations in the Arabian Sea. On 5 December 2002, the United States and Canada established a binational planning group at North

American Aerospace Defense Command (NORAD) to prepare contingency plans to respond to threats and attacks and other major emergencies in Canada or the United States.

## Mexico

Mexico remained a strong supporter of the global war on terrorism during 2002. The Mexican Senate ratified three international conventions on counterterrorism. The UN International Convention for the Suppression of Terrorist Bombing and the UN International Convention for the Suppression of the Financing of Terrorism were ratified on 29 October, and the Inter-American Counterterrorism Convention was signed in June and ratified in November. Mexico's military has been on high alert since the September 11 attacks, with increased military checkpoints throughout the country. Mexico has cooperated fully with the United States in implementing a 22-point border-action plan signed in March that aims to improve border infrastructure, expedite the secure flow of people, and facilitate the secure flow of goods across the United States-Mexico border.

There were no international acts of terrorism in Mexico within the past five years, but during times of demonstrations outside the US Embassy, the Mexican Government routinely cooperated by providing extra security to the Embassy. Notably, Mexico closed the offices of the Revolutionary Armed Forces of Colombia in Mexico City in April 2002, after a presence of 10 years.

## Overview of State-Sponsored Terrorism

Despite significant pressure from the US Government, the seven designated state sponsors of terrorism—Cuba, Iran, Iraq, Libya, North Korea, Syria, and Sudan—did not take all the necessary actions to disassociate themselves fully from their ties to terrorism in 2002. While some of these countries have taken steps to cooperate in the global war on terrorism, most have also continued the very actions that led them to be declared state sponsors.

Although Cuba is a party to all 12 international counterterrorism conventions and protocols, and Sudan is a party to 11, both nations continued to provide support to designated Foreign Terrorist Organizations. Likewise, Syria and Libya have continually indicated that they wish to aid the United States in the conflict against terrorism and have curtailed their sponsorship activities. Their cooperation remained deficient in other areas, however. Syria continued to provide safehaven and transit to some Palestinian rejectionist groups. Suspended UN sanctions against Libya remained in place, as Libya again failed to comply with UN requirements related to the bombing in 1988 of Pan Am Flight 103 over Lockerbie, Scotland.

While some of the designated state sponsors have taken steps to accede to the international norms of combating terrorism, others—notably Iraq, Iran, and North Korea—have done little to comply. Iraq, through its intelligence service, prepared for possible attacks against Western targets and was a safehaven, transit point, and operational base for terrorist organizations that included members of al-Qaida. Iran, for its part, remained the most active state sponsor of terrorism during 2002. It has provided funding, training, and weapons to Central Asian and anti-Israeli terrorist groups. In addition, some members of these groups, as well as al-Qaida, have found safehaven in Iran.

State sponsors of terrorism impede the efforts of the United States and the international community to fight terrorism. These countries provide a critical

foundation for terrorist groups. Without state sponsors, terrorist groups would have a much more difficult time obtaining the funds, weapons, materials, and secure areas they require to plan and conduct operations. The United States will continue to insist that these countries end the support they give to terrorist groups.

## Cuba

Although Cuba signed and ratified all 12 international counterterrorism conventions in 2001, it has remained opposed to the US-led Coalition prosecuting the war on global terrorism and has been actively critical of many associated US policies and actions. On repeated occasions, for example, Cuba sent agents to US missions around the world who provided false leads designed to subvert the post-September 11 investigation. Cuba did not protest the use of the Guantanamo Bay base to house enemy combatants from the conflict in Afghanistan.

In 2002, Cuba continued to host several terrorists and US fugitives. Havana permitted up to 20 Basque Fatherland and Liberty members to reside in Cuba and provided some degree of safehaven and support to members of the Colombian Revolutionary Armed Forces of Colombia (FARC) and National Liberation Army (ELN) groups. Bogota was aware of the arrangement and apparently acquiesced; it has publicly indicated that it seeks Cuba's continued mediation with ELN agents in Cuba.

An accused Irish Republican Army (IRA) weapons expert and longtime resident of Havana went on trial in Colombia in 2002. He had been caught a year earlier in Colombia with two other IRA members and detained for allegedly training the FARC in advanced use of explosives. Some US fugitives continued to live on the island.



### State Sponsor: Implications

Designating countries that repeatedly support international terrorism (i.e., placing a country on the "terrorism list") imposes four main sets of US Government sanctions:

1. A ban on arms-related exports and sales.
2. Controls over exports of dual use items, requiring 30-day Congressional notification for goods or services that could significantly enhance the terrorist list country's military capability or ability to support terrorism.
3. Prohibitions on economic assistance.
4. Imposition of miscellaneous financial and other restrictions, including:
  - Requiring the United States to oppose loans by the World Bank and other international financial institutions.
  - Lifting the diplomatic immunity to allow families of terrorist victims to file civil lawsuits in US courts.
  - Denying companies and individuals tax credits for income earned in terrorist list countries.
  - Denial of duty-free treatment for goods exported to the United States.
  - Authority to prohibit any US person from engaging in a financial transaction with a terrorist list government without a Treasury Department license.
  - Prohibition of Defense Department contracts above \$100,000 with companies controlled by terrorist list states.

### Iran

Iran remained the most active state sponsor of terrorism in 2002. Its Islamic Revolutionary Guard Corps and Ministry of Intelligence and Security were involved in the planning of and support for terrorist acts and continued to exhort a variety of groups that use terrorism to pursue their goals.

Iran's record against al-Qaida has been mixed. While it has detained and turned over to foreign governments a number of al-Qaida members, other al-Qaida members have found virtual safehaven there and may even be receiving protection from elements of the Iranian Government. Iran's long, rugged borders are difficult to monitor, and the large number of Afghan refugees in Iran complicates efforts to locate and apprehend extremists. Nevertheless, it is unlikely that al-Qaida elements could escape the attention of Iran's formidable security services.

During 2002, Iran maintained a high-profile role in encouraging anti-Israeli activity, both rhetorically and operationally. Supreme Leader Khamenei referred to Israel as a "cancerous tumor," a sentiment echoed by other Iranian leaders in speeches and sermons. Matching this rhetoric with action, Iran provided Lebanese Hizballah and Palestinian rejectionist groups—notably HAMAS, the Palestine Islamic Jihad, and the Popular Front for the Liberation of Palestine-General Command—with funding, safehaven, training, and weapons. Tehran also encouraged Hizballah and the Palestinian rejectionist groups to coordinate their planning and to escalate their terrorist activities against Israel.

Iran also provided support to extremist groups in Central Asia, Afghanistan, and Iraq with ties to al-Qaida, though less than that provided to the groups opposed to Israel.

## Chemical, Biological, Radiological, Nuclear (CBRN) Terrorism

*"The gravest danger our Nation faces lies at the crossroads of radicalism and technology."*

*President Bush, The National Security Strategy of the United States of America, 17 September 2002.*

The September 11 attacks confirmed that terrorists will seek to produce mass casualties whenever they believe it serves their purposes. Although terrorists will probably continue to rely on traditional terrorist tactics, several groups, including al-Qaida, increasingly look to chemical, biological, radiological, or nuclear (CBRN) materials as a means to potentially cause mass casualties rivaling or exceeding those of September 11. Troublesome amounts of dangerous materials—and information about how to create and deliver CBRN weapons—remain available to terrorists.

*"Our enemies have openly declared that they are seeking weapons of mass destruction, and evidence indicates that they are doing so with determination."*

*President Bush*

Usama Bin Ladin has said he sees the acquisition of "weapons of mass destruction" (WMD) as a "religious duty," and he has threatened to use such weapons. This rhetoric was underscored by reports that documents retrieved from al-Qaida facilities in Afghanistan contain information on CBRN materials.

The threat is not limited to Bin Ladin and al-Qaida, however. Information indicates that small but growing numbers of other terrorist groups are also interested in CBRN materials. In Europe, French police seized a chemical contamination suit and arrested a terrorist cell in December 2002 that allegedly was planning an attack using chemical agents. At least one related group was making ricin toxin in London at that same time for a future terrorist attack.

CBRN terrorism events to date have generally involved crude and improvised delivery means that have been only marginally effective. With the exception of the US anthrax attacks, the materials employed in these events also have been crudely

manufactured. Other events have involved dual-use materials that have legitimate civilian applications, such as industrial chemicals, poisons and pesticides, and radiological source materials embedded in legitimate measuring instruments. While terrorist events involving these materials and improvised delivery systems can cause significant casualties, damage, and disruption, such events pale in comparison to the casualties and damage that could occur if terrorists acquired WMD and the ability to effectively deliver them.

*"...The United States will not allow these efforts to succeed."*

*President Bush*

Preventing the proliferation of WMD, their delivery systems, and related materials and technologies, has long been a pillar of national security. Since September 11, it has become an even more urgent global priority. President Bush made this urgency clear in his December 2002 *National Strategy To Combat Weapons of Mass Destruction*, in which he set out a comprehensive strategy to prevent WMD proliferation, including to terrorists. Nations around the world have joined the United States in undertaking greater efforts to prevent terrorist acquisition of WMD, relevant materials, and related technologies.

*"In the new world we have entered, the only path to peace and security is the path of action."*

*President Bush*

The United States is working within multilateral nonproliferation regimes and other international fora. Bilaterally, the United States promotes more stringent nonproliferation policies and programs; strengthened export controls; and improved border security to prevent terrorists or their state sponsors from acquiring WMD, their delivery systems, related materials, or technologies. As the President's National Strategy notes, however, should our diplomatic efforts fall short, we will be prepared to deter and defend against the full range of WMD scenarios.



In 2002, Iran became party to the 1988 Protocol on the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation. It is party to five of the 12 international conventions and protocols relating to terrorism.

## Iraq

Iraq planned and sponsored international terrorism in 2002. Throughout the year, the Iraqi Intelligence Services (IIS) laid the groundwork for possible attacks against civilian and military targets in the United States and other Western countries. The IIS reportedly instructed its agents in early 2001 that their main mission was to obtain information about US and Israeli targets. The IIS also threatened dissidents in the Near East and Europe and stole records and computer files detailing antiregime activity. In December 2002, the press claimed Iraqi intelligence killed Walid al-Mayahi, a Shi'a Iraqi refugee in Lebanon and member of the Iraqi National Congress.

Iraq was a safehaven, transit point, and operational base for groups and individuals who direct violence against the United States, Israel, and other countries. Baghdad overtly assisted two categories of Iraqi-based terrorist organizations—Iranian dissidents devoted to toppling the Iranian Government and a variety of Palestinian groups opposed to peace with Israel. The groups include the Iranian Mujahedin-e Khalq, the Abu Nidal organization (although Iraq reportedly killed its leader), the Palestine Liberation Front (PLF), and the Arab Liberation Front (ALF). In the past year, the PLF increased its operational activity against Israel and sent its members to Iraq for training for future terrorist attacks.

Baghdad provided material assistance to other Palestinian terrorist groups that are in the forefront of the *intifadah*. The Popular Front for the Liberation of Palestine-General Command, HAMAS, and the Palestine Islamic Jihad are the three most important groups to whom Baghdad has extended outreach and support efforts.



*Suspected leader of Iraqi Kurdish Islamic extremist group, Ansar al-Islam, Mullah Krekar attends a press conference, 14 January 2003 in Oslo, Norway, after being expelled from the Netherlands.*

Saddam paid the families of Palestinian suicide bombers to encourage Palestinian terrorism, channeling \$25,000 since March through the ALF alone to families of suicide bombers in Gaza and the West Bank. Public testimonials by Palestinian civilians and officials and cancelled checks captured by Israel in the West Bank verify the transfer of a considerable amount of Iraqi money.

The presence of several hundred al-Qaida operatives fighting with the small Kurdish Islamist group Ansar al-Islam in the northeastern corner of Iraqi Kurdistan—where the IIS operates—is well documented. Iraq has an agent in the most senior levels of Ansar al-Islam as well. In addition, small numbers of highly placed al-Qaida militants were present in Baghdad and areas of Iraq that Saddam controls. It is inconceivable these groups were in Iraq without the knowledge and acquiescence of Saddam's regime. In the past year, al-Qaida operatives in northern Iraq concocted suspect chemicals under the direction of senior al-Qaida associate Abu Mus'ab al-Zarqawi and tried to smuggle them into Russia, Western Europe, and the United States for terrorist operations.

Iraq is a party to five of the 12 international conventions and protocols relating to terrorism.

*(Note: See Appendix G for a fuller description of Iraq's ties to terrorism—particularly al-Qaida—excerpted from Secretary Powell's 5 February 2003 presentation before the United Nations Security Council.)*



## Libya

In 2002, Libyan leader Muammar Qadhafi continued the efforts he undertook following the 11 September 2001 terrorist attacks to identify Libya with the war on terrorism and the struggle against Islamic extremism. In August, Qadhafi told visiting British officials that he regards Usama Bin Ladin and his Libyan followers a threat to Libya. In his 1 September speech, he declared that Libya would combat members of al-Qaida and “heretics”—a likely reference to Libyan extremists allied with al-Qaida and opposed to his regime—as doggedly as the United States did. He further claimed that all political prisoners would be released and that the Libyan Government would henceforth only hold members of al-Qaida. Libya appears to have curtailed its support for international terrorism, although it may maintain residual contacts with some of its former terrorist clients.

Libya’s past record of terrorism continued to hinder Qadhafi’s efforts to shed Libya’s pariah status in 2002. In March, a Scottish appellate court upheld the conviction—originally returned in January 2001—of Libyan intelligence agent Abdel Basset Ali al-Megrahi for murder in connection with planting an explosive device on Pan Am Flight 103 in December 1988. The explosion killed all 259 passengers and crew on board and 11 persons on the ground in Lockerbie, Scotland. There have been reports of a proposed out-of-court settlement of a suit brought by Pan Am 103 family members against Libya, but by year’s end it had not been concluded.

Despite progress toward the payment of appropriate compensation, at year’s end Libya had yet to comply with the remaining UN Security Council requirements related to Pan Am Flight 103, necessary for the permanent lifting of UN sanctions, including accepting responsibility for the actions of its officials.

In October, lawyers representing the seven US citizens who died in the bombing of UTA Flight 772 in 1989—for which a French court convicted

six Libyans *in absentia* in 1999—filed a suit against Libya and Qadhafi, reportedly seeking \$3 billion in compensation. The same month, Libya reportedly pledged to French authorities to increase payments already made to victims of the UTA bombing following the French court ruling in 1999.

In 2002, Libya became a party to the 1999 Convention for the Suppression of the Financing of Terrorism and the 1991 Convention on the Marking of Plastic Explosives for the Purpose of Detection. It is a party to all the 12 international conventions and protocols relating to terrorism.

## North Korea

The Democratic People’s Republic of Korea’s (DPRK) response to international efforts to combat terrorism was disappointing throughout 2002, although in a statement released after the September 11 attacks, the DPRK had reiterated its public policy of opposing terrorism and any support for terrorism. In 2001, following the September 11 attacks, it also signed the UN Convention for the Suppression of the Financing of Terrorism and became a party to the Convention Against the Taking of Hostages.

Despite the urging of the international community, however, North Korea did not take substantial steps to cooperate in efforts to combat terrorism. Its initial and supplementary reports to the UN Counterterrorism Committee on actions it had undertaken to comply with its obligations under UNSCR 1373 were largely uninformative and nonresponsive. It did not respond to previous US proposals for discussions on terrorism and did not report any efforts to freeze without delay funds and other financial assets or economic resources of persons who commit, or attempt to commit, terrorist acts that UNSCR 1373, among other things, requires all states to do.

North Korea is not known to have sponsored any terrorist acts since 1987. It has sold weapons to several terrorist groups, however, even as it reiterated its opposition to all forms of international terrorism. Pyongyang also has provided safe-haven to several Japanese Red Army members who participated in the hijacking of a Japanese Airlines flight to North Korea in 1970.

Pyongyang continued to sell ballistic missile technology to countries designated by the United States as state sponsors of terrorism, including Syria and Libya.

North Korea is a party to six of the 12 international conventions and protocols relating to terrorism.

## **Sudan**

Sudan was cooperating with US counterterrorism efforts before 11 September 2001, which included a close relationship with various US Government agencies to investigate and apprehend extremists suspected of involvement in terrorist activities. Sudan is a party to 11 of the 12 international conventions and protocols relating to terrorism. Sudan also has participated in regional efforts to end the civil war that has been ongoing since 1983—a US policy priority that parallels the US objective of having Sudan deny safehaven to terrorists.

While concerns remain regarding Sudanese Government support for certain terrorist groups, such as HAMAS and the Palestine Islamic Jihad, the United States is pleased with Sudan's cooperation and the progress being made in their antiterrorist activities.

## **Syria**

The Syrian Government has continued to provide political and limited material support to a number of Palestinian groups, including allowing them to maintain headquarters or offices in Damascus. Some of these groups have committed terrorist

acts, but the Syrian Government insists that their Damascus offices undertake only political and informational activities. The most notable Palestinian rejectionist groups in Syria are the Popular Front for the Liberation of Palestine (PFLP), the Popular Front for the Liberation of Palestine-General Command (PFLP-GC), the Palestine Islamic Jihad (PIJ), and the Islamic Resistance Movement (HAMAS). Syria also continued to permit Iranian resupply, via Damascus, of Hizballah in Lebanon. Nonetheless, the Syrian Government has not been implicated directly in an act of terrorism since 1986.

At the UN Security Council and in other multilateral fora, Syria has taken a leading role in espousing the view that Palestinian and Lebanese terrorist groups fighting Israel are not terrorists; it also has used its voice in the UN Security Council to encourage international support for Palestinian national aspirations and denounce Israeli actions in the Palestinian territories as "state terrorism."

The Syrian Government has repeatedly assured the United States that it will take every possible measure to protect US citizens and facilities from terrorists in Syria. In times of increased threat, it has increased police protection around the US Embassy. During the past five years, there have been no acts of terrorism against US citizens in Syria. The Government of Syria has cooperated significantly with the United States and other foreign governments against al-Qaida, the Taliban, and other terrorist organizations and individuals. It also has discouraged any signs of public support for al-Qaida, including in the media and at mosques.

In 2002, Syria became a party to the 1988 Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, making it party to five of the 12 international conventions and protocols relating to terrorism.

